

PESSIS European Summary Report



PROJECT PESSIS: PROMOTING EMPLOYERS' SOCIAL SERVICES ORGANISATIONS IN SOCIAL DIALOGUE

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Supported by: DG Employment, Social Affairs and Inclusion

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Introduction

The aim of the research project '*Project PESSIS: Promoting employers' social services in social dialogue*' was to provide a detailed understanding of how social dialogue is organised and structured (or not) in the social services sector in Europe. It aimed to identify the lack of structures, in the form of umbrella organisations, for employers in the sector as well as highlighting examples of good practice. Eleven national studies contributed to an overall European perspective of social dialogue in the social services sector, which are included in this European Synthesis Report. The research project involved studies of social dialogue in the social services sector in Austria, Belgium, Finland, France, Germany, Greece, Ireland, The Netherlands, Scotland, Slovenia and Spain.

This European Synthesis Report provides an introduction and conclusion to the eleven national reports. Each national report presents a 'picture' of how social dialogue is organised at local, regional and national levels and addressed the following six research questions:

1. What is the size of the social services sector, both in terms of workforce and of employers in aggregated value?
2. How well represented is the sector in terms of number of employers and workers covered by collective agreements?
3. What are the types of social dialogue or collective agreements that exist?
4. How many employers of the sector are involved in social dialogue and at what level?
5. What are the key labour issues dealt with and at what level?
6. Are there any labour issues that could be dealt with at European Union (EU) level?

1.1 Definitions

There are several terms which have been used in this research project which are defined below.

1. The term social dialogue is defined as '*a dialogue between employers and employees*'.

2. The terms public, for-profit and not-for profit sectors are widely used across Europe. They are defined in this report as:

Public sector commissioners of social services - Government departments, public sector agencies or municipal authorities commission social services in many countries and contract for-profit and / or not-for profit providers to deliver social services.

Public sector funders of social services - public authorities (national, regional or local government) fund social services by providing money directly to individuals.

Public sector – In some countries, social services are still delivered by municipal or regional government authorities.

For-profit sector – Providers of social services which operate to make a profit. They may operate with shareholders or they may be private companies, owned by one or more individuals. In some countries, family businesses deliver social services. They may be large or small in size.

Not-for-profit sector– Providers of social services, which do not operate to make a profit. In some countries this sector may be called the voluntary or charitable sector. In some countries, volunteers deliver some of the services for the not-for-profit sector.

1.2 Methodologies

'*Project PESSIS: Promoting employers' social services in social dialogue*' was an exploratory research project which aimed to gather data on a sector that is under-researched in terms of social dialogue. A research strategy, drawn up by the European Research Coordinator, was discussed with the project partners in January 2012. After the appointment of the 11 national researchers, the strategy was further clarified after discussions between the national researchers and the European Research Coordinator via skype.

Each national study started by gathering research that had already been done on the social services sector in each country. There were four main sources of information: employer organisations, trade unions, government departments and academic research. Reports covered the numbers of workers in the social services sector, the structure of the sector, existing systems of social dialogue, collective bargaining arrangements, and wider perspectives on employment relations in the social services sector. This information was used to map out the key elements of the social services sector.

As social dialogue in the social services sector is an under-researched topic, the main form of data collection took place either through a national workshop or through a series of key informant interviews. Workshop participants and key informants were sent a short briefing paper which outlined the initial mapping of the social services sector. The stakeholders included employer organisations, government (national, regional, provincial, municipal) departments, trade unions, not for profit sector, for-profit sector and worker associations. Stakeholders were asked about their experience of social dialogue, the structures that exist to support social dialogue, existing collective agreements and the resources that the stakeholders have available to develop social dialogue at EU level. This stage of data collection was also used to raise awareness of the PESSIS project among stakeholders in each of the eleven countries. It generated a wide range of views and insights into social dialogue in the social services sector. The research was written up as a series of eleven national reports, which were then translated into English, when required.

A further testing of the findings of the research was done through the second meeting of project partners in April 2012. Initial research findings were presented and discussed by national researchers. Their comments and recommendations have been incorporated into the report.

National Report Belgium



UNIPSO

François DAUE



Supported by: DG Employment, Social Affairs and Inclusion

Introduction

This report has been compiled within the scope of the European project PESSIS (Promoting employers' social services organizations in social dialogue). The main aim of this project is to provide a better understanding of how social dialogue is organized and structured in the social profit sector in Europe.

PESSIS is being coordinated by the European Association of Service Providers with Disabilities (EASPD) in partnership with eight European organizations and eleven national partners including, for Belgium, UNIPSO (Union des Entreprises à Profit Social)¹. Under this project, each partner is responsible for submitting a report presenting the situation in its own country, in this case Belgium.

The eleven national reports together with the European synthesis report will contribute to developing the prospect of installing a European level social dialogue where social profit sector employers will hold a proper place.

By way of an introduction to this national report, it seems important to explain a few of the main methodological principles having guided our research :

1. First, the definition of 'social profit sector' is that used in Belgium by UNIPSO. The social profit or 'non-market' sector groups together "all organizations functioning on a 'not-for-profit' or 'non-market' basis with non-market resources and providing goods or services of a collective or semi-collective nature mainly in the areas of education, health, social action and culture". This is a relatively broad notion from the outset but one that becomes more restrictive owing to the demarcation of sectors. A more detailed explanation is contained in the UNIPSO publication entitled "*Dix années d'évolution du secteur à profit social*"².
2. The 'social dialogue' concept is to be understood as the dialogue between employer(s) and worker(s). We shall see that in the social profit sector, this dialogue can take on several forms depending on the level it is conducted and whether it concerns the private or the public sector. Moreover, this dialogue within the social profit sector sometimes leaves room for a third interlocutor : public authorities.

¹ A list of the partners is available in the appendix to this report (annex 1)

² "Dix années d'évolution du secteur à profit social", (Ten years development of the social profit sector), economic study by UNIPSO, 2009 via :

http://www.ufenm.be/IMG/pdf/10_annees_d_evolution_du_secteur_a_profit_social.pdf

3. Given the limited timeframe set for submission of this report and the need for succinctness, our focus was on :
 - a. providing the clearest possible description of a relatively complex system of social dialogue and an understanding of how it came into being (see chapters 3 and 4 – Who’s who and Organization of social dialogue)
 - b. adopting the methodology of the Focus Group to address the key issues of social dialogue taking on board the input and feedback of its participants (as fully reflected in chapter 5), while pointing out that the synthesis of these considerations and exchanges does not necessarily mirror the views of UNIPSO or all of its members and that they are not bound by it.

2. Statistical profile of the social profit sector

This chapter aims at setting the statistical profile of the social profit sector. It is based on the most recent available data and gives an overview of the sector in terms of its number of jobs (employment), of institutions and of added value within the Belgian economy. As for the social dialogue aspect, the representation of the social profit sector within the joint committees is also highlighted, in particular at employment level.

The statistics presented in chapter 2 are taken from the 'decentralized' statistics of the ONSS and the ONSSAPL³. This means that they are based not on the enterprise considered as a homogeneous entity, but on all of the 'places of business' (places of work) it has. Use of the ONSS and ONSSAPL data implies that the statistics cover only salaried employment or, more precisely, all of the employers and workers subject to social security contributions. Volunteers and institutions that do not have workers liable for payment of social security contributions are therefore not included in the statistics. Moreover, employment is divided up by job.

2.1. The social profit sector in number of jobs

The social profit sector in Belgium, according to the latest statistics available, accounts for 720,000 jobs excluding education (376,982 jobs). This represents 17 % of total salaried employment estimated at 3,816,435 jobs. These figures concern both the private and public branches of the non-market sector.

The five main sectors of activity are :

| | |
|------------------------------------|--------------|
| Hospital activities | 186,663 jobs |
| Rest/nursing homes | 97,970 jobs |
| Home help and carers | 49,451 jobs |
| Enterprises employing the disabled | 38,431 jobs |
| Child care | 32,778 jobs |

With 394,665 jobs, these five sectors of activity account for nearly 55% of total employment.

³ ONSS = *Office national de la sécurité sociale*, ONSSAPL = *Office national de la sécurité sociale des administrations provinciales et locales (secteur public)*

| Job (NACE-BEL) | Brussels | Flanders | Wallonia | Belgium |
|--|---------------|----------------|----------------|----------------|
| Health care: | 32,757 | 122,178 | 70,964 | 225,899 |
| Hospital activities (86.1) | 27,710 | 100,048 | 58,905 | 186,663 |
| Activities of doctors and dentists (86.2) | 3,438 | 10,413 | 4,789 | 18,640 |
| Other activities for human health (86.9) | 1,609 | 11,717 | 7,270 | 20,596 |
| Activities of practitioners of the art of nursing (86.906) | 298 | 7,808 | 4,753 | 12,859 |
| Social services (87 and 88) : | 32,423 | 202,526 | 95,531 | 330,480 |
| <i>With accommodation(87) :</i> | 12,913 | 92,542 | 51,566 | 157,021 |
| Institutions accommodation for the elderly (87.101, 87.301and 87.302) | 8,734 | 57,630 | 31,606 | 97,970 |
| Residential care activities for adults with a disability (87.202 and 87.304) | 703 | 14,670 | 8,232 | 23,605 |
| Residential care activities for under-age children with a disability (87.201 and 87.303) | 941 | 9,457 | 5,579 | 15,977 |
| Welfare services for young people with accommodation (87.901) | 1,292 | 5,797 | 3,850 | 10,939 |
| Other social services with accommodation (87.109, 87.203 - 87.205, 87.209, 87.309, 87.902 and 87.909) | 1,243 | 4,988 | 2,299 | 8,530 |
| <i>Without accommodation (88) :</i> | 19,510 | 109,984 | 43,965 | 173,459 |
| Activities of domestic help, except home care- givers (88.101) Activities of day and service centres for the aged (88.102) | 2,905 | 34,700 | 11,846 | 49,451 |
| Activities of enterprises employing individuals with physical or mental disabilities (88.995) | 2,354 | 26,761 | 9,316 | 38,431 |
| Child care and welfare services (88.911, 88.912 and 88.919) | 4,165 | 19,267 | 9,346 | 32,778 |
| Other social services without accommodation (88.103, 88.104, 88.109, 88.991 - 88.994, 88.996 and 88.999) | 10,086 | 29,256 | 13,457 | 52,799 |
| Culture, leisure and sport : | 31,617 | 47,472 | 23,986 | 103,075 |
| Training for adults (85.207, 85.591 - 85.593) | 8,771 | 13,143 | 5,886 | 27,800 |
| Activities of community groups and associations n.c.a. (94.99) | 8,963 | 6,962 | 4,252 | 20,177 |
| Sport : facilities, clubs (excl. fitness centres), leagues and federations (93.11, 93.12, 93.19) | 2,167 | 9,297 | 4,262 | 15,726 |
| Broadcasting of radio and television programmes (60.10 et 60.20) | 5,191 | 1,239 | 1,282 | 7,712 |
| Running of theatres, concert halls and cultural centres (90.04) | 1,263 | 3,469 | 1,729 | 6,461 |
| Performing arts, artistic creation and activities supporting live entertainment (90.01, 90.021, 90.023, 90.029 and 90.03) | 2,157 | 2,807 | 1,604 | 6,568 |
| Libraries and archives (91.01) | 858 | 3,739 | 1,126 | 5,723 |
| Museums, historical monuments (91.02 and 91.03) | 876 | 2,463 | 1,753 | 5,092 |
| Botanical and zoological gardens, nature reserves, theme and amusement parks (91.04, 93.212 and 93.292) | 143 | 2,779 | 1,334 | 4,256 |
| Making and distribution of films for cinema and television (59.111 - 59.113, 59.13 and 59.14) | 1,119 | 1,124 | 666 | 2,909 |
| Youth hostels (55.201) | 109 | 450 | 92 | 651 |
| Intermediate total | 96,797 | 372,176 | 190,481 | 659,454 |
| Education (85), except training for adults (see above) | 52,680 | 208,647 | 119,620 | 380,947 |
| Mutual insurances (84.302) | 3,992 | 7,168 | 4,760 | 15,920 |
| Activities of associative organizations (94.1, | 9,990 | 10,251 | 8,325 | 28,566 |

| | | | | |
|---|----------------|----------------|----------------|------------------|
| 94.2, 94.91 and 94.92) : employers', trade union, religious and political organizations | | | | |
| Activities of households as employers of domestic staff (97) | 535 | 2,253 | 486 | 3,274 |
| Broad total | 163,994 | 600,495 | 323,672 | 1,088,161 |

Source : 4th quarter 2010, Decentralized statistics ONSS (incl. ONSS APL)

2.2. The social profit sector in number of institutions

These jobs are spread throughout 36,055 institutions, excluding education (12,234 institutions), as detailed in the table below :

| Establishments (NACE-BEL) | Brussels | Flanders | Wallonia | Belgium |
|--|--------------|--------------|--------------|---------------|
| Health care : | 911 | 4.348 | 2.307 | 7.566 |
| Hospital activities (86.1) | 59 | 223 | 153 | 435 |
| Activities of doctors and dentists (86.2) | 727 | 3.426 | 1.706 | 5.859 |
| Other activities for human health (86.9) | 125 | 699 | 448 | 1.272 |
| Activities of practitioners of the art of nursing (86.906) | 40 | 370 | 171 | 581 |
| Social services (87 and 88) : | 1,392 | 4,621 | 3,283 | 9,296 |
| <i>With accommodation(87) :</i> | 343 | 1,617 | 1,279 | 3,239 |
| Institutions accommodation for the elderly (87.101, 87.301and 87.302) | 183 | 811 | 673 | 1,667 |
| Residential care activities for adults with a disability (87.202 and 87.304) | 33 | 233 | 191 | 457 |
| Residential care activities for under-age children with a disability (87.201 and 87.303) | 12 | 74 | 97 | 183 |
| Welfare services for young people with accommodation (87.901) | 40 | 231 | 169 | 440 |
| Other social services with accommodation (87.109, 87.203 - 87.205, 87.209, 87.309, 87.902 and 87.909) | 75 | 268 | 149 | 492 |
| <i>Without accommodation (88) :</i> | 1,049 | 3,004 | 2,004 | 6,057 |
| Activities of domestic help, except home care- givers (88.101) Activities of day and service centres for the aged (88.102) | 42 | 341 | 172 | 555 |
| Activities of enterprises employing individuals with physical or mental disabilities (88.995) | 27 | 276 | 120 | 423 |
| Child care and welfare services (88.911, 88.912 and 88.919) | 349 | 1,339 | 660 | 2,348 |
| Other social services without accommodation (88.103, 88.104, 88.109, 88.991 - 88.994, 88.996 and 88.999) | 631 | 1,048 | 1,052 | 2,731 |
| Culture, leisure and sport : | 2,494 | 4,823 | 3,249 | 10,566 |
| Training for adults (85.207, 85.591 - 85.593) | 276 | 533 | 459 | 1,268 |
| Activities of community groups and associations n.c.a. (94.99) | 1,163 | 1,193 | 870 | 3,226 |
| Sport: facilities, clubs (excl. fitness centres), leagues and federations (93.11, 93.12, 93.19) | 214 | 1,259 | 774 | 2,247 |
| Broadcasting of radio and television programmes (60.10 et 60.20) | 43 | 51 | 47 | 141 |
| Running of theatres, concert halls and cultural centres (90.04) | 122 | 308 | 210 | 640 |
| Performing arts, artistic creation and activities supporting live entertainment (90.01, 90.021, 90.023, 90.029 and 90.03) | 339 | 488 | 292 | 1,119 |

| | | | | |
|---|--------------|---------------|---------------|---------------|
| Libraries and archives (91.01) | 91 | 410 | 162 | 663 |
| Museums, historical monuments (91.02 and 91.03) | 80 | 174 | 199 | 453 |
| Botanical and zoological gardens, nature reserves, theme and amusement parks (91.04, 93.212 and 93.292) | 15 | 244 | 131 | 390 |
| Making and distribution of films for cinema and television (59.111 - 59.113, 59.13 and 59.14) | 145 | 111 | 91 | 347 |
| Youth hostels (55.201) | 6 | 52 | 14 | 72 |
| Intermediate total | 4,797 | 13,792 | 8,839 | 27,428 |
| Education (85), except training for adults (see above) | 1,355 | 6,994 | 3,885 | 12,234 |
| Mutual insurances (84.302) | 107 | 571 | 322 | 1,000 |
| Activities of associative organizations (94.1, 94.2, 94.91 and 94.92): employers', trade union, religious and political organizations | 1,271 | 1,785 | 2,185 | 5,241 |
| Activities of households as employers of domestic staff (97) | 377 | 1,657 | 352 | 2,386 |
| Broad total | 7,907 | 24,799 | 15,583 | 48,289 |

Source : 4th quarter 2010, Decentralized statistics ONSS (incl. ONSS APL)

2.3. The value added of the sector

Social profit activities generate an added value allowing to quantify the wealth produced by the sector. Added value is an economic concept allowing to measure the value created by an economic player.

The value added calculation method adopted by the National Accounts Institute (ICN) is to calculate costs (work and capital) generated by production. In the social profit sector, value added is calculated on the basis of the wages bill, as salaries represent almost total production costs.

According to regional accounts published by the ICN, in 2006, the value added of the non-market sector represented around 15% of the country's total value added. In Wallonia, it accounts for over 19%.

It is to be noted that this system of measurement is partly responsible for underestimating the sector's importance, as it does not take the contribution of volunteering into account. Yet the latter is of major importance and very frequent within the social profit sector.

| Value added 2010 (in millions of euros) | Brussels | Flanders | Wallonia | Belgium |
|--|----------------|----------------|----------------|-----------------|
| Education | 3,483.6 | 11,657.4 | 6,939.1 | 22,080.1 |
| Activities for human health | 2,020.9 | 9,154.3 | 4,956.4 | 16,131.6 |
| Medical-social and social accommodation. Social action without accommodation | 1,036.7 | 4,543.7 | 2,283.2 | 7,863.6 |
| Arts, performing arts and recreational activities | 525.3 | 1,055.1 | 521.6 | 2,102.0 |

| | | | | |
|--------------------|-----------------|------------------|------------------|------------------|
| Total Non-Market | 7,066.50 | 26,410.50 | 14,700.30 | 48,177.30 |
| Total Economy | 60,221.5 | 180,553.2 | 74,835.7 | 315,823.7 |
| % of total economy | 11.73 % | 14.63 % | 19.64 % | 15.25 % |

Source : ICN - 2010

2.4. The number of the jobs represented within joint committees

Nearly 500,000 jobs are represented within various joint committees for the 'non-market' sector. To be noted is the particularly high growth during the 5-year period 2006 to 2011, from 394,090 jobs to 488,500 jobs, i.e. a total growth of 24 % and annual growth of nearly 5 %. This accounts for 13.5 % of the number of jobs represented within joint committees.

| | 2006/3 | 2007/3 | 2008/3 | 2009/3 | 2010/3 | 2011/3 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Agriculture, hunting, forestry and fishing | 32,529 | 30,912 | 32,160 | 34,941 | 37,032 | 32,300 |
| Industries, gas and electricity | 670,562 | 670,284 | 674,318 | 640,944 | 629,773 | 631,900 |
| Building & construction | 159,225 | 163,842 | 165,328 | 161,717 | 162,464 | 163,900 |
| Distribution, transport and logistics | 396,845 | 407,214 | 415,003 | 411,465 | 414,747 | 421,800 |
| Services to businesses and individuals | 220,752 | 236,981 | 286,043 | 287,259 | 327,030 | 343,500 |
| Financial sector | 117,206 | 117,431 | 116,381 | 113,767 | 112,768 | 113,000 |
| Hotels, restaurants, cafés, (Horeca), sport, leisure, media | 140,463 | 142,012 | 143,661 | 142,045 | 144,754 | 144,500 |
| (Social) 'non-market' sector | 394,090 | 407,307 | 430,723 | 450,466 | 470,559 | 488,500 |
| Miscellaneous sectors | 505,208 | 526,588 | 516,354 | 487,884 | 477,812 | 481,400 |
| No joint committees | 690,186 | 690,337 | 689,042 | 696,334 | 696,461 | 688,200 |
| TOTAL | 3,327,066 | 3,392,908 | 3,469,013 | 3,426,822 | 3,473,400 | 3,509,000 |

Source : ONSS

2.5. The number of employers by joint committee

In 2011, for the overall non-market sector, there are 22,959 employers spread throughout the various joint committees. The highest number of

different employers is found in the health establishments and services sector (8,083 employers) and the socio-cultural sector (5,596 employers).

| Joint Committees | Number of employers |
|---|---------------------|
| JC 152 - JC for subsidized institutions in charge of independent education for manual/blue-collar workers | 1,597 |
| JC 225 - JC for employees of grant-aided independent educational establishments | 854 |
| JC 318 - JC for home helps and elder care services | 105 |
| JC 319 - JC for education and accommodation establishments and services | 1,300 |
| JC 327 - JC for enterprises employing disabled persons and 'sheltered' workshops for the disabled | 230 |
| JC 329 - JC for the socio-cultural sector | 5,596 |
| JC 330 - JC for health establishments and services | 8,083 |
| JC 331 - JC for the Flemish social welfare and health care sector | 696 |
| JC 332 - JC for the French- and German-speaking and bi-community sector of social welfare and health care | 843 |
| JC 337 - JC for the non-market sector (set up on 8 March 2008) : residuary JC regrouping the organizations of the non-market sector which are not part of another joint committee with specific official attributions, i.e. in particular the <i>mutualités</i> (mutual aid/insurance funds). | 2,922 |
| TOTAL | 22,959 |

Source : ONSS 2011

3. Who's who in 'social dialogue'?

Belgium's system of social dialogue, or 'around the table' discussions between employers and workers is seen and recognized as a model in Europe. Such face to face meetings allow representatives of both sides to address issues of concern and to reach agreements in matters of labour law.

Before explaining in the following chapter the organization and operation of this social dialogue and its specificities for the social profit sector, it is first of all necessary to present its main players and the steady progress that allowed social profit sector employers to get organized and take up their place within the social dialogue.

Social dialogue players, called 'social partners', represent the employers and the workers. They are both organized in their own way, but to be able to play a role in the collective relations, they should be considered as 'representative'.

This representativeness is defined by law, but is also founded on the mutual recognition of representative organizations in relation to one another. Such mutual recognition effectively guarantees the accountability of the interlocutors and their legitimacy for negotiating on behalf of each organization.

The legal criteria⁴ in this regard differ somewhat for workers' organizations and for employers' organizations.

3.1. The workers' organizations

Workers are represented by their trade union or union organizations. In order to be representative and legally recognized as such, union organizations must :

- > be constituted at national level
- > have at least 50,000 members
- > be represented on the National Labour Council and the Central Economic Council

In Belgium, there are three organizations meeting these prerequisites : the *Centrale Générale des Syndicats Libéraux de Belgique* (CGSLB), the

⁴ Law of 5 December 1968 on collective bargaining agreements and joint committees (Belgian Official Journal 'Moniteur belge' of 15 January 1969)

Confédération des syndicats chrétiens (CSC), and the *Fédération Générale du Travail de Belgique (FGTB)*.

The CSC and FGTB are made up of 'core' organizations set up, firstly, by sector of activity and, secondly, according to the status of the workers. Thus, employees (salaried/white-collar workers) are represented by the CNE within the CSC and by SETCa within the FGTB. Public services workers are represented by CSC-Services publics within the CSC and by the CGSP within the FGTB. Manual/blue-collar workers are represented by various union organizations according to their trade or industrial sector e.g. building/construction, metallurgy, and so on. The CSC and FGTB core organizations are therefore legally fully-fledged representatives on the relevant joint committees at sector level.

The CGSLB regroups all sectors within one core union organization.

Union organizations are also federated at regional level. This enables them to be in closer touch with 'on the ground' realities.

3.2. The employers' organizations

On the employers' side, it is laid down in legislation that the following are considered to be representative⁵:

1. the **inter-professional employers' organizations constituted at national level** and represented on the Central Economic Council and the National Labour Council. Among these are the *Fédération des entreprises de Belgique (FEB)* and, more recently, the *Union des Entreprises à Profit Social (UNISOC)*
2. the **professional organizations affiliated to an inter-professional organization**, e.g. Agoria (*Fédération de l'industrie technologique*)
3. the **national inter-professional organizations and professional organizations recognized under the law of 6 March 1964** 'unionizing' the middle classes and which are representative for the heads of skilled crafts and trades enterprises, small- and medium-sized businesses, and light industry, as well as for persons who are 'freelance'/self-employed in a professional/intellectual occupation. These are the *Union des Classes Moyennes (UCM)*, UNIZO, the *Fédération Wallonne de l'Agriculture (FWA)*, and the Boerenbond.
4. the **professional employers' organizations which in a given branch of activity are declared as being representative** by the King on the

⁵ Law of 5 December 1968 on collective bargaining agreements and joint committees (Belgian Official Journal 'Moniteur belge' of 15 January 1969)

advice of the National Labour Council. Among these are the sectoral federations of the social profit sector having a seat on joint committees. It is to be noted that a branch of activity does not necessarily correspond to one joint committee, for it may be broader or smaller than the field of competence of any one such committee.

3.3. The sectoral employers' representation

Whether at cross-sector or sector level, representativeness within the social profit or non-market sector proved to be more easily 'established' for trade union representatives than for employer representatives.

Indeed, following World War II, the criteria laid down in the 1944 Social Security Act and taken up in the legal texts⁶ have had the effect of guaranteeing the FGTB, CSC and CGSLB a monopoly on workers' representation.

On the other hand, the setting up of employers' representation was more complex owing to the diversity and heterogeneity of the sector's employers.

We have seen that to be a 'social partner', an employers' organization must be considered as representative if it comes under one of the categories previously defined. This is a prerequisite as regards both general and external representational status and powers. Moreover, to have a seat on a joint committee and thus take part directly and fully in the sectoral social consultation, it has to prove it has internal or particular representational 'standing' within a sector of activity.

To do so, it must follow a special recognition procedure by applying to the federal administration (*Service public fédéral Emploi, Travail, Concertation sociale*). This federal public department for employment then examines whether it fulfills the representational criteria for the joint committee concerned, i.e. that it brings together a sufficient number of employers in the sector and that these employers are 'autonomous'. The National Labour Council is also consulted for its view on the request for recognition prior to the final decision, which is taken by the Minister for Employment.

In the social profit sector, the degree of organization of employers was for a long time very unequal. This held up not only the process of some organizations being recognized as representative but also the constitution of new joint committees able to take charge of the new activities being developed on the ground.

⁶ Law of 20 September 1948 on the organization of the economy (Belgian Official Journal 'Moniteur belge' of 27 September 1948) and law of 29 May 1952 establishing the National Labour Council (Moniteur belge of 31 May 1952)

The discrepancy is particularly apparent in the diversity of social profit sub-sectors (health, child care, socio-cultural activities, etc.), in the size of sectoral employers' federations (the older hospital federations which represent a large number of institutions employing thousands of workers and other more recent sectoral federations which represent only a few institutions, themselves small in size), and in the membership of or adherence to a philosophical or political movement in Belgian society, e.g. socialist, catholic, pluralist.

The professionalization of various sectors gradually led to the structuring of employers' representation into sectoral employers' federations. These were then step by step recognized as fully-fledged representatives and partners in the sector's employer/worker consultation process.

At present, there are about fifty sectoral employers' federations⁷ representing employers of the social profit sector. The fields concerned are as follows :

- > **General health care** : hospitals, care of the elderly, home care workers, mental health services, blood transfusion and treatment services, transport of the sick and disabled, etc.
- > **Social welfare** : child care, prevention and health promotion services, family planning, adoption, combating ill-treatment and abuse, telephone help lines, social service, combating drug abuse and addiction, etc.
- > **Performing arts** : dance, music, theatre, opera, etc.
- > **Socio-cultural** : training and integration, youth, sport, development and integration, cooperation for development, non-commercial tourism, non-commercial radio and television, cultural centres, museums, libraries, environment, etc.
- > **At-home help and care** : assistance with domestic chores, minders and carers, 'meals-on-wheels', etc.
- > **Employment of persons with a disability** : in businesses and in 'sheltered' workshops

⁷ A list of the main sectoral employers' federations is available in the appendix to this report (annex 2). These federations are themselves generally gathered in inter-professional federations such as UNISOC, UNIPSO, Verso, CBENM or AnikoS (see below).

- > **Educational and accommodation establishments and services** : help for the disabled, youth assistance, general social welfare, social housing initiatives, etc.

- > **Education**

These federations regroup employers of the private and/or public sector and represent employers active at national level or on part of the territory of Belgium (Flanders, Wallonia, Brussels, the German language Community). Some federations are active in several sectors of activity.

3.4. The inter-professional representation of employers

While the gradual structuring of employers' representation at sector level began in the 1970s, the question of how to organize their social profit sector representation at inter-professional level arose much later.

It was not until the early 1990s that, aware of their importance in terms of employment, some sectoral employers' federations – at the initiative of hospital and health federations – called on the federal government to join the National Labour Council, the national body for social dialogue gathering representatives of the economic and social spheres.

What they wanted was to 'have a say' in the drawing up of inter-professional agreements and conclusion of the national collective agreements they were required to apply to their workers. Their request was turned down. In point of fact, seats on this Council are allocated exclusively to organizations deemed to be representative at inter-professional level, which implies a minimum number of affiliations in all of the sector's branches of activity. Another prerequisite is that these organizations have no ideological 'leanings'.

The applicant federations did not meet these two conditions. They were neither neutral nor inter-professional and were insufficiently representative of the social profit sector as a whole. This led them to consider creating an inter-professional umbrella organization.

The *Confédération des entreprises non marchandes* (CENM) was set up on 29 June 1994 with 26 members, the federations of Dutch-, French- and German-language employers. Today, it is called UNISOC⁸ (*Union des entreprises à profit social*) and has 47 members.

As of the late 1990s, new inter-professional organizations⁹ were constituted to respond to Belgium's specific regional and community interests :

⁸ UNISOC : <http://www.unisoc.be/new/FR/home/>

⁹ Verso : <http://www.verso-net.be/>; UNIPSO : <http://www.unipso.be/>; CBENM : <http://www.bcspo.be/>;
AnikoS : <http://www.anikos.be/>

- > the *Vlaamse Confederatie van de Social Profit Ondernemingen* (VCSPO) was set up in 1997 to represent the Flemish associations. In 2007, It was renamed **VERSO** (*Vereniging voor Social Profit Ondernemingen*)
- > the *Union Francophone des Entreprises Non Marchandes* (UFENM) was set up in 1998 to represent the French- and German-language associations. It was renamed **UNIPSO** in 2008
- > the *Confédération Bruxelloise des Entreprises Non Marchandes* (**CBENM**) came into being in 2005
- > **AnikoS**, the inter-professional platform of social profit enterprises set up at German-language Community level, was created in 2007

The distinctive feature of these inter-professional organizations is that they represent sectoral employers' federations and not employers directly. These employers' organizations belong to the private (non-profit making) or public social profit sector and adhere to various ideologies.

These five inter-professional employers' organizations regroup some fifty employers' federations active in the following sectors : health, care and accommodation of the elderly, home help and care, aid to the vulnerable, assistance and accommodation for persons with a physical or mental disability, child care and welfare, enterprises employing disabled persons, socio-professional integration, culture, sport, education, non-governmental organizations.

The common purpose of these umbrella structures is to represent and defend the social profit sector vis-à-vis public authorities and other social actors and to provide quality services to their members. The cross-sector employers' federations position themselves as 'fully-fledged' participants in social dialogue, in inter-professional consultation/conciliation, and in the development of new policies.

3.5. The position of inter-professional in social dialogue

By creating umbrella structures to federate social profit sector employers engaged in various branches of activity, the resolve was to become social partners in their own full right alongside historical organizations representing the market sector. The aim of these cross-sector employers' federations was to be recognized as representative of the social profit sector and thus form part of the employer/worker consultation bodies – at all various State levels.

To achieve this aim at national level, the UNISOC (known at the time as the CENM) in 1995 applied for a seat on the National Labour Council, the social consultation body that brings together representatives of the economic and social sphere.

Despite political support, the road to representational recognition by and of the other workers' and employers' representatives on this Council proved to be a long and hard one. Indeed, while recognizing the importance of the private social profit (non-market) sector, these representatives remained very reticent to welcome the UNISOC among them and to offer it a seat on the Council. The main argument put forward was the lack of autonomy and independence of the social profit sector enterprises that were non-profit associations yet publicly funded. This, in the Council's view, deprived them of autonomy and would therefore bring the public authorities into the domain reserved for social talking partners, i. e. into the inter-professional negotiation.

Unable to overlook the weight of the social profit sector and the need for it to be included in the inter-professional consultation process, the other workers' and employers' representatives on the National Labour Council consequently proposed proceeding in stages. In April 1995¹⁰, UNISOC was granted 'associate membership', which means that it could participate in meetings and works. Its positions, however, would not be 'taken on board' in the Council's actual opinions nor, more especially, could it conclude inter-professional collective bargaining agreements - a key instrument of social consultation. Provision was made though for a regular review to assess the evolution of UNISOC's representational standing within the social profit sector and its subsequent fuller involvement in the works of the Council.

¹⁰ Royal decree amending the royal decree of 24 June 1952 fixing the number of members on the National Labour Council and determining the details of their presentation (Moniteur Belge of 17 May 1995)

Meanwhile, in addition to proving the representative nature of UNISOC, employers of the social profit sector had, via its national and regional umbrella organizations, to strive to affirm their legitimacy as a bona fide economic and social force in Belgian society and their contribution to wealth creation through the added value generated, more particularly, by the creation of new jobs. What they also had to do was repeatedly highlight the specific role played by the social profit sector to provide accessible services of quality satisfying basic needs (health, education, social welfare and so on) unmet by public authorities. Similarly, they had to make it understood that to maintain the quality and effectiveness of social profit services, account absolutely had to be taken of the sector's specificities in terms of employment and work regulations, e.g. working hours, night- and part-time work, continuity of services, and so on.

After long years of waiting and struggle, the UNISOC did finally become a fully-fledged member of the National Labour Council under the historic agreement of 11 September 2009¹¹ signed by all of the inter-professional federal social partners. With it came both the official recognition and status of an employers' organization truly representative of the social profit (non-market) sector and full 'active' membership of the National Labour Council, whereby UNISOC could henceforth partake in its works, have the views of the sector's employers 'enshrined' in the Council's opinions, negotiate, and sign collective bargaining agreements impacting on workers and employers as a whole.

¹¹ This agreement of 11 September 2009 was integrated into the law of 29 May 1952 establishing the National Labour Council via its modification by a law of 30 December 2009 carrying various provisions (Moniteur Belge of 31 December 2009)

4. The organization of social dialogue

Social dialogue, as institutionalized today in Belgium, is the result of a long evolution that gathered great momentum after World War II. It is founded on the involvement of social partners in laying down rules concerning them, particularly those to do with working conditions. The objective is to adapt such rules so that they are as near as possible to 'on the ground' reality and thus easier to put into practice. To achieve this, social dialogue functions on a 3-tier basis.

Structured in this way, with 3 closely connected levels, i.e. cross sector, sector and corporate business, it allows for agreements to be concluded at each of them, settling the individual and collective relations between employers and workers. The employers and workers of the social profit sector are directly concerned by the agreements negotiated in the course of these consultations.

Alongside these consultation arenas resulting in genuine sources of law, there exist other forms of social dialogue and platforms within this tripartite arrangement where the social profit sector plays a particular role.

The organization of employer/worker dialogue varies depending on whether it pertains to the private social profit sector (i.e. non-profit-making or 'not-for-profit' enterprises) or the public social profit sector.

Moreover, one of the specific characteristics of social dialogue in the social profit sector is the potential presence alongside employer and worker representatives of a third party, i.e. the public authorities.

4.1. The private 'not-for-profit' sector

Social consultation at cross-sector level

The main inter-professional social consultation 'platforms' involving employers of the social profit sector are as follows :

The National Labour Council¹²

At federal level, the National Labour Council is THE venue for cross-sector discussions between employers and workers. Instituted under the law of 29 May 1952¹³, it is a body with equal representation on both sides, i.e. 50 % inter-professional organizations representing employers and 50 % those representing workers. As outlined in the preceding chapter, the UNISOC (*Union des entreprises à profit social*) representing employers of the social profit (non-market) sector at federal level officially joined the 'ranks' of employers in 2009.

The National Labour Council has a twofold mission. It tables opinions and proposals on all matters pertaining to employers and workers (labour law, social security, etc.). Since 1968, this Council has also been empowered to conclude collective bargaining agreements¹⁴ of national and inter-professional scope. In practice, it largely avails itself of this possibility. The collective bargaining agreements cover a whole range of labour-related matters, e.g. trade union delegation status (CBA n° 5), part-time working (CBA n° 35), alcohol and drug prevention in the workplace (CBA n° 100), and so on.

The Central Economic Council¹⁵

The CCE ('*Conseil Central de l'Economie*') is a joint inter-professional consultative body set up under the law of 20 September 1948 on the organization of the economy with a view to institutionalizing dialogue between employers and workers on economy-related matters and assisting the public authorities with economic policy-making. Since 1999, UNISOC has represented the interests of social profit sector employers. It became a full member of the Central Economic Council in 2009.

In its advisory capacity, this Council tables opinions and proposals to the national public authorities on issues concerning the national economy.

¹² <http://www.cnt-nar.be/>

¹³ Law of 29 May 1952 establishing the National Labour Council

¹⁴ See below 'Instruments of social consultation/conciliation : collective bargaining agreements'

¹⁵ <http://www.ccecrb.fgov.be/>

The High Council for Health and Safety in the Workplace¹⁶

This High Council, the CSPPT (*Conseil supérieur pour la Prévention et la Protection au Travail*), set up as part of the national administration (*Service Public Fédéral de l'Emploi, du Travail et de la Concertation Sociale*) is a consultative body with equal representation on all sides. It tables opinions, either at its own initiative or by request of the authorities, on measures relating to the well-being of workers in places of employment, e.g. health and safety, work-related psychological and social stress, ergonomics, work hygiene, improving the workplace environment, etc.

The UNISOC is present within this Council on behalf of the social profit sector.

'Inter-professional' agreements

Inter-professional social partners' leaders also meet for informal consultations. They form what is called the 'Group of Ten'. Since the 11 September 2009 agreement officially recognizing UNISOC as an organization duly representative of employers' organizations of the social profit sector - and thereby also as a social partner - this national umbrella organization has been invited to actively participate in the works of this group.

As it has done since the 1960s, this 'Group of Ten' convenes every two years to negotiate an 'inter-professional agreement' (IPA) which serves, at national level, to determine the scheduling and scope of private sector employer/worker consultation for the next two-year period. This framework agreement covers such matters as pay trends, social security contribution reductions, earnings replacement/income maintenance benefits, etc... In itself it has no 'force of law' and must be enshrined in laws, decrees or collective bargaining agreements before it can have statutory effect.

The economic and social Councils¹⁷

Alongside national social dialogue, consultations also take place within Belgium's federate bodies which bring together inter-professional organizations representing employers and workers at the level of each federate entity. They are responsible for tabling opinions, at their own initiative or by request of the public authorities, on all matters that come within the ambit of the regions or communities and are of interest to the social partners.

¹⁶ http://www.emploi.belgique.be/detailA_Z.aspx?id=1282 (Website link: High Council for Health and Safety in the Workplace)

¹⁷ CESW: <http://www.cesrw.be/> SERV: <http://www.serv.be/serv> WSR: <http://www.wsr-dg.be/> CESRB: <http://www.esr.irisnet.be/>

There are five of these Councils: the CESW for Wallonia, the CESRB for the Brussels region, the CESCf for the French-language community, the SERV for the Flemish- language community, and the WSR for the German-language community. Within each of them, employers of the social profit sector are represented as follows: by UNIPSO for the CESW and CESCf, by CBENM for the CESRB and CESCf, by Verso for the SERV, and by AnikoS for the WSR.

Social consultation at sector level

At sector level, employer/worker consultations mainly take place within joint committees. These can set up social funds which are jointly run and of particular importance for the social profit sector.

The Joint Committees

These were instituted under the law of 5 December 1968 on collective bargaining agreements and joint committees¹⁸. They are bodies with equal representation on both sides, i.e. 50% employers' organizations and 50 % trade union organizations.

There are joint committees for all branches of activity, the idea being to regroup enterprises engaged in the same line of business so that regulations applying to them are adapted to working conditions. Other joint committees or sub-committees can also be set up for a specific territory or sector of activity.

Their main aim is to conclude collective bargaining agreements¹⁹, avert or settle labour conflicts, advise the government, the National Labour Council or the Central Economic Council, and to fulfil each mission entrusted to them by law.

The process of setting up a joint committee (or joint sub-committee) is fairly long and complex. It can be initiated by the Minister for Employment or at the request of one or several organizations following consultation of all the workers' and employers' organizations that may be concerned. Together they then decide on its name and ambit.

Once the joint committee has been constituted, the organizations concerned are asked whether they wish to have a seat on it and, if so, they must show proof of their representational status²⁰. After clearance has been given, the Minister determines which organizations will be represented and the number of mandates attributed to each of them.

¹⁸ Law of 5 December 1968 on collective bargaining agreements and joint committees (MB 15 January 1969)

¹⁹ See below 'Instruments of social consultation/conciliation :collective bargaining agreements'

²⁰ As understood by article 3 of the law of 5 December 1968 on collective bargaining agreements and joint committees detailed in the chapter on Who's who in the social dialogue (see above)

Joint Committees of the social profit sector

For the social profit sector, joint committees first started being set up as of the 1970s by type of activity. They were then followed by subcommittees to correspond to trends in the development of Belgium's institutional landscape.

Currently, within the social profit sector there are 10 joint committees (CP) and sub-committees (SCP) covering the following sectors²¹: education, home help and elderly care services, educational and residential establishments and services, enterprises and 'sheltered' workshops employing the disabled, socio-cultural activities, health establishments and services, social welfare, the (residuary) non-market sector.

Within each of them is a representation of the employers of the sector concerned. These are sector employers' organizations officially recognized as representative by the national administration and appointed to sit on these committees and sub-committees²².

Most of the social profit enterprises active in each of these sub-sectors are represented via employers' federations having a seat on these joint committees or sub-committees. It is to be noted, however, that these federations do not include all existing employers' associations. The National Labour Council is regularly consulted for opinions on the applications for official recognition submitted by new organizations.

Social funds

Within joint committees or sub-committees, social funds²³ can be set up under collective bargaining agreements at the initiative of the social partners. These funds are run autonomously on a parity basis and used :

- > to finance, grant and pay social allowances and benefits for workers
- > to finance and organize professional/occupational/vocational training for workers and young people
- > to finance the social security and health of workers in general

²¹ The full list of joint committees and subcommittees is available in the appendix (annex 3)

²² The list of employer sectoral federations represented in CPs or SCPs is available on the website of [SPF Emploi, Travail et Concertation sociale](#)

²³ Law of 7 January 1958 on social funds

Funding comes from affiliated employers' social contributions which are paid in directly or via the National Office of Social Security (ONSS).

Within the social profit sector, there are three types of social funds administered within each sector via the joint committees and sub-committees :

- > training funds²⁴: these serve to provide training for workers of the sector (and particularly those having few or no skills). Such training support takes various forms depending on the sector concerned: team coaching/mentoring and supervision, easier access to more specific training depending on the types of services or jobs, upgrading certain sectors or jobs and their level of expertise, etc.
- > Maribel social funds²⁵: their aim and responsibility is to create further employment, to reduce the arduous nature of some jobs, to meet the needs of services and to improve their quality.
- > specific funds²⁶: these aim to address sector-specific issues such as arrangements for workers nearing retirement (improved time credit, early retirement, compensatory hiring...) or to cover other social benefits (refund of trade union subscriptions, union training, training not covered by existing training funds...).

The management of these funds and the resources allocated to achieve the objectives defined for each of them is in the hands of organizations representative of employers and workers, which makes them very much an instrument of sectoral social consultation.

Coordination of the actions of these social funds for the social profit sector is handled by various associations according to the levels of power of the Belgian State, i.e. *Fe-Bi* for federal or bi-community funds, the *VSPF* for the Flemish language community funds, and the *APEF* for the French and German language community funds²⁷.

²⁴ Interprofessional agreement of 18 November 1988 establishing a compulsory employer's contribution for 'initiatives for the employment and training of groups at risk'. Groups at risk: low-skilled persons (without a higher secondary education degree (CESS)) long-term unemployed, workers at risk of losing their job due to lack of qualification or to restructuring, disabled workers, etc.

²⁵ Royal decree of 18 July 2002 on measures aiming at promoting employment in the non-market sector

²⁶ Specific funds have only been set up within a few sectoral joint committees

²⁷ Website links: Fe-Bi <http://www.fe-bi.org/fr/home> APEF <http://www.apefasbl.org/> VSPF <http://www.vspf.org/>

Social consultation at corporate business level

Social dialogue at this level (which includes enterprises of the social profit sector) is structured differently according to the size of companies. Each of the consultative bodies concerned has specific missions.

The Works Council

Companies employing 100 or more workers are required to set up a Works Council. This is a joint body made up of the employer's and workers' representatives.

The main tasks of the Works Council are :

- > to receive and communicate to workers the management's information on the economic and financial standing of the company, on employment trends in all personnel categories, and on various aspects of corporate life (training, environment and so on)
- > to table opinions, suggestions or objections to any measure that could affect work organization and working conditions, personnel policy and so on
- > to draft and amend the working rules regulation, to examine the criteria to be followed in case of personnel dismissal and recruitment, to schedule annual holiday times and so on

The Works Council comprises, on the one hand, the employer and employer-designated delegates and, on the other hand, representatives elected by the company's workers every four years from the lists of candidates put forward by their representative organizations.

The Committee for Health and Safety in the Workplace

It is compulsory for companies employing 50 or more workers to have a committee for health and safety (CPPT). It too is a joint body with equal representation on both sides, i.e. 50 % employer representatives and 50 % elected worker representatives.

The main role of this committee is to identify and propose ways to improve the wellbeing of employees in their place of employment. This includes information campaigns, supervision and decision-making, submitting proposals, dealing with complaints, risk detection in terms of health, safety, hygiene, psycho-social stress, etc.

If there is no Works Council, this Committee assumes some of its mandated powers primarily as regards specifically labour-related matters.

The trade union delegation

Alongside these two elected bodies with equal representation, a trade union delegation can also be set up under certain conditions depending on the sectors concerned. The threshold of number of workers required to have a trade union delegation is determined by sector within the joint committees. It is therefore not a joint body for it represents the workers vis-à-vis the employer. Its members can be elected or designated by workers' representative organizations.

The trade union delegation's spheres of competence pertain mainly to labour relations, upholding social legislation, and the defence of individual members of personnel. It is in fact the trade union delegation that engages in negotiations with a view to concluding collective bargaining agreements on behalf of its workers.

In companies employing more than 50 workers, a trade union delegation can co-exist alongside a Works Council or a Committee for Health and Safety in the Workplace. Where neither one of these two bodies has been set up, the union delegation takes on part of their missions e.g. work organization, economic and financial information, working rules regulation, etc.

Below the threshold required to have a union delegation appointed, it is incumbent upon trade union organizations to provide help and support to affiliated workers requesting it, individually or collectively, via a permanent regional contact person. The employer is also bound by law to hold direct consultations with workers, particularly for matters relating to working rules regulation, risk analysis, and so on.

Instruments of social consultation/conciliation : collective bargaining agreements

Real sources of law

A collective (labour) bargaining agreement is concluded between one or several workers' organizations and one or several employers' organizations/federations. It governs individual and collective relations between them within a company, a branch of activity, or at cross-sector/trade/industry level.

Whilst having for a long time and very often been used as an instrument in labour-related negotiations, this form of agreement gained 'fully-fledged' legal recognition under the law of 5 December 1968²⁸.

By legal definition :

- > the 'collective bargaining agreement' (which term emphasizes the freedom of negotiation of social partners, as the public authorities do not 'partake' in its genesis)
- > the collective bargaining agreement lays down the rights and obligations of employers and workers (as well as those of the organizations/federations representing them)

The collective bargaining agreement can also have extended legally-binding effect. At the request of the joint committee or of a representative organization within it, it can be enshrined in a Royal Decree which is published in Belgium's official journal *Moniteur belge*. It then becomes legally binding for all employers and workers of the relevant joint committee insofar as they are included in the field of application defined in the collective bargaining agreement.

The collective bargaining agreement constitutes an important legal source in labour law. Although what is set down in the agreement is freely and contractually a matter for the social partners, there is a hierarchy in sources of law that must be abided by. The provisions of a collective bargaining agreement cannot 'exceed' agreements of the joint committees of which a corporate enterprise is part... and agreements at joint committee level cannot depart from what the National Labour Council has endorsed or from higher echelon sources of law, e.g. international agreements or legislation.

²⁸ Law of 5 December of 1968 on collective bargaining agreements and joint committees (Moniteur belge of 15 January 1969)

Content and duration

Be it at corporate business, sector or cross-sector level, a collective bargaining agreement therefore prevails as to the rights and obligations binding both employers and workers.

In the social profit sector, the main aspects currently covered by sectoral collective bargaining agreements concluded within joint committees are: work conditions, pay, working time, holidays, arrangements for workers nearing retirement, financial contribution to travel expenses, training, trade union delegation status, early-retirement pension schemes, and so on.

Subject to the approval of organizations with a seat on the joint committees, collective (employer/worker) agreements are concluded for a fixed-term, for an indefinite period, or for an indefinite period with a renewal/extension clause.

4.2. The public sector

Alongside private sector employers, who represent more than two-thirds of the social profit sector, there are social profit sector employers 'over-arching' the public sector.

Dialogue between employers and workers in the public sector is organized in a particular way and with its own spheres of negotiation, consultation, and conciliation. The main specificities are outlined hereunder.

Principles of social dialogue

Collective labour relations in the public sector are governed by the law of 19 December 1974²⁹. This legislation applies to all public services, i.e. federal, community, regional and local administrations, public centres for social welfare, municipalities, provinces, State education, etc.

It stipulates that any and all measures concerning workers must be preceded by consultation and negotiation with representative trade union organizations. In the public sector, a distinction is made between employer/worker 'negotiation' and 'consultation/conciliation'.

Negotiation is mandatory for matters related to 'basic working rules and regulations', i.e. pay status, administrative status, pension funds and schemes, relations with trade union organizations, structuring of social

²⁹ Law of 19 December 1974 organizing the relations between public authorities and the trade unions of the agents pertaining to these authorities (MB 24 December 1974)

services, general provisions as regards working time, work organization, and staffing. Negotiation outcomes are officially set down in a protocol stating whether or not agreement has been reached between the public sector employer and the representative trade union organizations. When there is no agreement between the parties present, record is taken of the 'around the table' positions of each of the organizations.

Such protocols constitute a moral, political (and policy) commitment on the part of the public employer to abide by what has been agreed. It is not, however, either legally binding or enforceable. This means that the employer/public authority can choose to overlook or sidestep the decisions noted in a protocol. In essence, therefore, there exists no collective (bargaining/labour) agreement binding the organizations.

Aside from negotiation, the matters subject to consultation/conciliation are, more particularly, hours of work and work organization within a given unit/department/place of employment, personnel/staffing policy and planning, health and safety in the workplace, etc. The outcome of consultation/conciliation is noted in what is referred to as a 'reasoned opinion' which, in effect and in principle, means that public (sector) employers are not legally bound to abide by it although they do have to 'justify' their decision(s).

Spheres of social dialogue

These are determined under the law of 19 December 1974. The various negotiation/consultation committees provided for are structured according to the rationale of the relevant level of administration.

Committee A is comparable to the National Labour Council. Its main objective is to deal with matters concerning overall public services (federal, community, regional, local and other administrations). Generally-speaking, inter-sector social programming is negotiated every two years within Committee A and it has sole powers as regards minimum 'common' social security rights for all public services personnel members e.g. family allowances, pensions, accidents in the workplace, work discontinuity/career breaks...).

Committee B has powers of jurisdiction for federal public services/departments. At federal level, 20 sectoral committees have been created. It is within these that take place negotiations concerning a given department or overall organization. 'Grassroots' consultation/conciliation committees, for their part, focus on specific issues for one or a few given services/departments.

Committee C has powers of jurisdiction for local and regional administrations, as well as publicly funded or grant-aided official

education. Local and regional administrations are grouped by region, each with its own negotiating committee. Publicly funded official educational establishments are grouped by Community, within which a special committee has been set up for each organizing authority.

At local level, in the *communes* (local councils/municipalities), in provinces, and in schools within their ambit, negotiation of matters specific to a particular *commune* take place within **Special Committees**. At local administration level, such committees are more akin to Works Councils in companies. There are also committees which bring together several organizations/bodies active in any one sector.

Alongside these Committees – and as in the private sector - there are social funds, one of which is the Maribel social fund for the public sector.

Actors of social dialogue in the public sector : place of employers' organizations

All of the arenas for consultation and negotiation are set up on the basis of equal representation on both sides and bring together public authority representatives and representatives of trade union organizations.

On the workers' side, for a union organization to be deemed representative - and entitled to a seat on Committee A, Committee B and Committee C - it must be active at national level, defend the interests of all categories of public sector personnel, and be affiliated to an inter-professional organization represented on the National Labour Council. In effect, this denotes the *Centrale Générale des Services Publics*, the *Fédération des Syndicats Chrétiens des Services Publics*, and the *Syndicat Libre de la Fonction Publique* (SLFP).

On the side of public employers, it is the public authority - whose representation depends on the public administration concerned – that sits and negotiates at these venues. The local public employer can, however, attend these committee meetings in the capacity of 'technician' or expert and thus be part of the public authority delegation and speak on behalf of local public sector employers.

For the social profit sector, what then; happens is that an organization representative of social profit sector employers may be appointed as an expert and mandated by the public authority... thereby 'qualifying' it to be part of its delegation. In this way, the organization representing

employers fully partakes in the process of employer/worker consultation³⁰.

³⁰ For instance, the professional and employer's association for care institutions and services, Santhea, is represented on Committee C in the public authority delegation.

4.3. 'Tripartite' employer/worker dialogue in social profit sector

As previously mentioned, social dialogue in the social profit sector brings together two main talking partners, i.e. employers and workers. This principle of face to face discussions is common to all other market sectors.

However, what differentiates the social profit sector is its funding. In reality, most of this sector's organizations rely to a great or lesser extent on 'the public purse'. This inevitably has an influence on the process of consultation between employers and workers as it brings in a third party, i.e. the subsidizing authority.

Consequently, in some cases, the consultation becomes tripartite, with trade union organizations, employers' organizations and the public authority sitting around the table. The accord reached is then also qualified as tripartite. It is in this framework that 'non-market agreements' have developed. Once the agreement signed, the Joint Committees (for the private sector) take up their role to take matters forward by concluding collective labour agreements, fixing obtained progress.

'Non-market' agreements are those that lay down the main lines of employer/worker relations in the social profit sector for several years, including the subsidy arrangements agreed with the public authorities for the measures jointly decided upon. Such agreements are unique in the sense that, alongside inter-professional and sector-by-sector agreements, consultations pertaining only to the social profit sector as a whole also take place at various national levels, i.e. federal, regional, community.

At the outset, under the impetus of trade union organizations, 'non-market agreements' were concluded so as to align the pay scales of workers of the overall social profit sector (with the scale of hospital establishments being taken as the target or basic scale of reference). This was intended to promote the mobility of workers and attractiveness of the sector. The initial agreements to this end were signed by the political leaders and social partners in the spring of 2000.

Since then, the pace of progress of such harmonization has varied according to the sectors concerned and the budgetary capacity of their relevant governing federate bodies. Into the mix have also come fresh demands from both trade unions and employers' federations to do with working conditions, as well as training, travel expenses, management/supervision issues, etc. Other 'non-market' agreements – generally multi-annual – have been concluded to meet some of these demands.

5. The key questions in social dialogue

To determine the main key questions in the field of social dialogue in the social profit sector, we chose to resort to the Focus Group methodology. A Focus Group meeting was held on 27 March 2012 and attended by some fifteen social dialogue stakeholders of the social profit sector from the following organizations :

- > UNIPSO (*Union des entreprises à profit social : Wallonia*)
- > UNISOC (*Union des entreprises à profit social : national level*)
- > VERSO (*Vereniging voor Social Profit Ondernemingen : Flanders*)
- > CBENM (*Confédération Bruxelloise des Entreprises Non Marchandes : Brussels*)
- > Sectoral member federations of UNIPSO
- > Trade union organizations

The purpose of this Focus Group was to engage in an open discussion on the topical key questions of social dialogue in the social profit sector, to exchange views and ideas and together identify problems and solutions taking on board all of the participants' suggestions.

Therefore, this chapter in particular presents the synthesis of the discussions between participants. It is structured according to five key questions that were addressed during that day.

Possible repetitions in relation to previous chapters and the direct style employed are to be explained by the concern to keep all the issues addressed and the exchanges as they were expressed.

5.1. Specificities of employer/worker relations in the social profit sector

In Belgium, a number of factors differentiate the social profit sector from other sectors of activity when it comes to social dialogue.

The volume and type of employment

The social profit sector essentially offers services to the population, which implies that personnel costs account for a significant proportion of 'production expenditure' compared to other sectors. In terms of employment, the social profit sector is one of the most important. This, combined with the support it provides in bringing workers onto the labour market, makes it an economic stabilizer and a sector of interest for the public authority when it comes to employment policy-making.

Most of the workers it employs are women and among them a lot of older ones (ageing of the working population) and many of the jobs are part-time (whether voluntary or not), although differences do exist within the social profit sector. The jobs here are in both private and public enterprises.

The role of public authorities

Public authorities play a crucial role in that they finance part of services provided to the population. The subsidies granted depend on the public budget available and political/policy choices, but not on the economic status of the social profit enterprises.

At social dialogue level, the rule is often tripartite, i.e. government, employers and trade unions, and, in this context, the government represents the authority setting the perimeter ('fields of application') and 'ring-fencing' budgets.

The nature of social dialogue

Generally speaking, labour relations are good and the social partners strive together to develop the social profit sector, on a tripartite basis with the public authorities. For example, one area of joint endeavour currently concerns policy on arrangements for those nearing retirement age.

The social profit sector does not as yet have representation within all decision-making bodies. Achieving this is a complex and slow process, but progress is being made as can be seen from recent developments at National Labour Council level.

Specific though they may be, 'non-market' agreements are not tied-in to inter-professional agreements. Some matters are consequently more 'fast-tracked' than others. Moreover, they do not always apply to all workers.

Social dialogue is multi-level (cross-sector, by sector, by corporate business) and thus involves different (corporate, sector and cross-sector) participants. There is nevertheless a willingness to harmonize the sector, to view it as a whole, which is not the case in other European countries with a more marked heterogeneity. Employers/workers regularly uphold 'globalizing' positions – one example being the alignment of pay scales with those of hospitals – to promote worker mobility and the attractiveness of some branches of activity. However, such positions cannot always be tailored to all structures. Greater account has to be taken of sub-sector specificities

and realities. For some, this means increasing the 'clout' of sectors with regard to the cross-sectoral.

The public sector

Many social profit services are 'delivered' by public enterprises (about one-third of the non-market sector). Public authorities thus simultaneously play the role of a supervisory body and that of a services operator.

Each local authority is autonomous so that the framework agreements signed within the Committees are not directly applicable to it and have to be renegotiated within each public administration or authority. The agreements pertain to all personnel (supervisory authority, the administration as public operator of social profit services).

At present, the pay scales of university graduates in the social profit sector are 'on a par' in public and private sectors. For holders of a secondary education diploma, pay levels are lower in public sector jobs, whereas for those with a non-university/higher education diploma they are lower in the private sector.

5.2. The evolution of social dialogue over the past decade

Developments here have been major and impressive. The social profit sector has become more professionalized through its trades and occupations and also its representative status. Disparate sectors have come together to set up sector-by-sector and then cross-sector federations so as to 'speak as one'. Concurrently the threshold of union delegations has been lowered in some sectors. Both of these factors have allowed for the setting up and structuring of social dialogue in sectors where there had previously been no dialogue between employers and workers.

The sector is now an integral part of various consultative bodies such as regional Economic and Social Councils, the Central Economic Council and, since 2009, the National Labour Council. Unfortunately, it does not yet have as much weight as the historical market sectors (in particular the Belgian Employers Federation (*FEB*), and the Middle Class Union (*UCM*)), but its opinion is taken into consideration. These historical sectors are holding up the representational evolution of the social profit sector and 'protecting their patch' for they see the sector as wearing two hats: that of employer and that of a services recipient. Objectively, from the perspective of volume of employment, economic importance, etc., the social profit sector merits having a greater say, i.e. more seats on these various official councils.

Professionalization of the sector also allows for the pro-active development of services, particularly through social innovation, in order to better meet the current and future needs of the population. Some institutions fear that this and the structuring of social dialogue, e.g. lowering of the threshold for setting up a trade union delegation, will increase administrative costs/workload and the number of regulations to be complied with.

As money becomes scarcer, financial management in social profit enterprises grows fiercer with cutbacks on expenditure for services meeting the basic needs of the population.

Such budgetary restrictions are also leading to harmonization of the laws applicable between the private and public sectors e.g. hospitals. The status of workers in the 'public operator of social profit services' sector is being aligned with that of the 'private operator of social profit services' sector. This is giving rise to a collateral issue, i.e. differences in pay between colleagues employed in the public/civil service (administration and public operator of social profit services).

5.3. Working and decision-making procedures

Trade union organizations were initially those making demands primarily to do with pay and working conditions. This historically served as a starting point in discussions for 'non-market agreements'.

Employers then responded to what the unions were clamouring for in order to limit their share of the cost of new policies, to structure the financing thereof, and to guarantee peace on the labour front. In recent years, employers have become more pro-active and are also laying down their priorities. Moreover, the claims of social partners are often the same (training, working conditions, stress management, attractiveness of the sector, etc.).

To take the sector forward and offer quality services, the social partners must reach compromise agreements as necessary. In Flanders for instance, the concern is on how to have a large and qualified enough workforce to meet the growing needs of the population.

The power social partners have differs according to the venues and issues addressed (co-management, co-operation or simply consultation). Not all sit on the same committees and not all debate venues are the same. For example, when the 'operationalization' of services and sector policies is under discussion, this concerns not the trade unions but the services operators, i.e. employers. Trade unions do, however, want to be part of all of these discussions. Finally, there

are social funds whereby the social partners can deal with a range of issues (training, wellbeing, etc.).

In the public sector, there are specific particularities. Agreements are signed by the public authorities and the trade unions. Employers' federations have the role of technical experts. This means that the public authorities play a twofold role : that of managing authority and services operator.

5.4. The main problems in social dialogue

Institutional reform

Within cross-sector dialogue arenas, the social partners play a more reactive role in government plans. With the State's recent institutional reform³¹ and the transfer of certain competences to the federated entities, a more pro-active approach will have to be taken and the optimum organizational model established to safeguard and/or develop the role of social partners as determined at federal level. Just as important is the need to clarify the future role of politics in this new model of management at federate level while guaranteeing the place and role of social partners within it. There is a fear that the supervisory authority may be overly arbitrary in departing from the co-management model. In Flanders, tripartite inter-professional committees (social partners and public authorities) already exist (e.g. Employment).

Multiplicity of consultation venues

At present, some deplore the fact that there is no social dialogue venue bringing together public and private social partners as well as the government.

The multiplicity and complexity of consultation venues and laws are making implementation difficult for small businesses.

For some matters, dialogue is fragmented in many places and this is hampering effectiveness.

The nature of social dialogue

Efforts also have to be made to ensure that social dialogue is not 'distorted' by bringing into it other players such as users/beneficiaries. Talks cannot centre only on the purely financial aspect to maximize the value added of all social partners.

5.5. Vision of the future and message for Europe

³¹ Institutional Agreement for the Sixth State Reform – 11 October 2011

Plans are in hand to create a new Joint Committee for the sector (JC 337, which is already constituted but inactive). It will bring together the residuary non-market sectors, as well as the *mutualités* (mutual insurance funds).

The sector must endeavour to join various cross-sector consultation platforms like the National Employment Bureau (ONEM) and the National Social Security Bureau (ONSS), to strengthen its position on the National Labour Council, the Central Economic Council and regional economic and social Councils.

One of the difficulties for the future is the relation between politics and the evolving sector, with a move away from public authority granting of approvals and subsidies towards competitive procedures on a market open to all social profit enterprises through funding linked to calls for projects. These result in a 'commoditization' of the sector and sometimes impose excessive constraints, e.g. hiring of holders of a specific diploma who must use an imposed method of working.

At the same time, social dialogue venues are becoming fewer as politicians take less account of social partners than before.

Several of the Focus Group participants are of the view that the European Union is pushing towards the privatization and fragmentation of the non-market sector. It is not considering social dialogue within a model of social protection applicable to the population as a whole (universal model), but working with target categories of people. It is failing to see the link existing in the sector between services providers and recipients. It is not recognizing collective and/or public services, but only economic services (producer-consumer model).

They believe it is important for the sector to get itself heard in the European social dialogue as the agreements can be transposed into directives. This represents an objective for the countries 'lagging behind' in non-market social dialogue.

Social dialogue must evolve to cover more and more sectors and thus bring improvements in terms of both working conditions and professionalization.

Efforts must be made to share information about national good practices in social dialogue, to not impose an overly Anglo-Saxon vision of the non-market sector and condemn the countries that are interested only in the funding they can get from the EU. It is important that Belgium upholds its model of social consultation.

In Belgium, several factors of success are cited :

- > confidence in social dialogue as an effective means of management
- > the role of the public authority as that of defining the framework and individual roles with the guarantee of co-existence of the various sectors
- > continuity in a democratic dialogue on the role and place of the citizen in the volunteer sector (in a context of scarcer resources and of 'commoditization', citizens have to get more involved in the sector and community life).

With ever fewer resources available, it is vitally important to safeguard the social profit sector against pervasive 'commoditization', failing which not all citizens will be able to afford quality services meeting essential needs. This could lead to a two-tier supply of services.

What is meant by 'non-market' has to be explained even though there are various aspects to it from one country to another. Its key economic role has to be factored and highlighted, by the same token as the positive spin-offs it engenders and its vital stabilizing function.

Attributing European status to 'not-for-profit' associations is also desirable. The case must also be argued for a broader interpretation of general interest social services. What must be made to emerge is the concept of a 3rd sector existing alongside the public sector and the private market sector.

Finally, the specificity of the social economy has to be upheld within the European Union. This is of paramount importance in the eyes of the Focus Group participants who fear that so-called social enterprises will in reality end up regrouping only commercial undertakings endowed with social 'gadgets'. It is essential too that non-profit or 'not-for-profit' associations come to be regarded as economically important enterprises even though they do not have access to the capital market.

6. Conclusions

The social profit sector in Belgium has progressed considerably these past ten years in terms of volume of employment as well as diversity and quality of the services offered.

This has gone hand in hand with an ever more evolved and professionally structured social dialogue. There is no denying that the model developed to date is one that those active in the social profit sector – employers’ and workers’ organizations alike – today find altogether satisfactory.

Much effort has gone into securing representation(s) at the highest level and this momentum has to be maintained, at all levels, in the future. The model must continue evolving and indeed at times be re-invented at federate body level. Targeted improvements will be instrumental in overcoming the main difficulties encountered.

Expectations vis-à-vis the European Union are on a parallel with the fears it arouses among participants of the Focus Group. The quality and richness of social dialogue in Belgium are to be preserved and can undoubtedly serve as a reference for countries with a less developed system of social dialogue or looking to improve the organization of their existing one.

Defending the social profit sector in all that it stands for is crucial for the European Union as a whole. Although specific aspects may vary from one country to another, as a sector it is a key player on the overall economic scene given the positive impacts it engenders for the rest of the economy and its essential stabilizing function.

Sharing information and experiences with other countries is very much part and parcel of what is needed to keep improving practices and taking forward at European level its recognition as a third sector alongside the public and private market sectors. This is all the more important in the context of the current crisis.

Annex

ANNEX 1

List of partners

Project Coordinator

European Association of Service Providers for Persons with Disabilities (EASPD)

European Partners

European Council of Associations of General Interest (CEDAG)

European Federation of Public Service Unions (EPSU)

Eurodiaconia

SOLIDAR

European Federation of National Organisations Working with the Homeless (FEANTSA)

Workability Europe

Caritas Europa

Europea Platform for Rehabilitation (EPR)

National partners

Bundesarbeitsgemeinschaft Wohnungslosenhilfe (BAWO) - Austria

Scottish Council for Single Homeless (SCSH) - United Kingdom

Cáritas Española - Spain

Disability Federation of Ireland (DFI) - Ireland

Union des Entreprises à Profit Social (UNIPSO) - Belgium

Arbeiterwohlfahrt Bundesverband e.V. (AWO) - Germany

Luovi Vocational College – Finland

University Rehabilitation Institute Republic of Slovenia (URI) – Slovenia

Panagia Eleousa - Greece

Dutch Association of Healthcare Providers for People with Disabilities (VGN) - The Netherlands

Observers

Centre de la Gabrielle MFPASS - France

ANNEX 2

List of main sectoral employers' federations (most are considered to be representative and are members of an inter-professional federation such as UNISOC, UNIPSO, VERSO, CBENM) :

| | |
|------------------|---|
| AMA | Association des Maisons d'Accueil et des services d'aide aux sans-abris |
| ANMC | Alliance Nationale des Mutualités Chrétiennes |
| ANCE | Association Nationale des Communautés éducatives |
| AnikoS | ArbeitgeberInnenverband für den nicht-kommerziellen Sektor in der DG |
| APOSSM | Association des Pouvoirs Organisateurs de Services de Santé Mentale |
| AVCB | Association de la Ville et des Communes de la Région de Bruxelles-Capitale |
| CBI | Coordination Bruxelloise d'Institutions sociales et de santé |
| CESSOC | Confédération des Employeurs du Secteur Sportif et Socioculturel |
| CODEF | Coordination et défense des Services sociaux et culturels |
| Coll.SAPS | Collectif SAPS |
| CRB | Croix-Rouge de Belgique |
| EWETA | Entente Wallonne des Entreprises de Travail Adapté |
| FASD | Fédération de l'Aide et des Soins à Domicile |
| FASS | Fédération des Associations sociales et de Santé |
| FCPF-FPS | Fédération des Centres de Planning familial des Femmes prévoyantes socialistes |
| FCSD | Fédérations des Centrales de Services à Domicile |
| FEBRAP | Fédération Bruxelloise des Entreprises de Travail Adapté |
| FELSI | Fédération des Etablissements Libres Subventionnés Indépendants |
| FESAD | Fédération d'Employeurs de Services d'Aide à Domicile |
| FIAS | Fédération des Initiatives et Actions Sociales |
| FIH | Fédération des Institutions Hospitalières de Wallonie |
| FILE | Fédération des Initiatives Locales pour l'Enfance |
| FIMS | Fédération des Institutions Médico-Sociales |
| FIPE | Fédération des Institutions de Prévention Educative |
| FISSAAJ | Fédération des Institutions et Services Spécialisés dans l'Aide aux Adultes et aux Jeunes |
| FNAMS | Fédération Nationale des Associations Médico-Sociales |

| | |
|------------------|---|
| FSB | Fédération des Services Bruxellois d'Aide à Domicile |
| FSMI | Fédération des Services Maternels et Infantiles de vie féminine |
| GASMAES | Groupement Autonome de Services et Maisons d'Action Educative et Sociale |
| ICURO | Koepel van Vlaamse ziekenhuizen met publieke partners (ICURO) |
| LNH | Ligue Nationale pour personnes Handicapées et services spécialisés |
| LLM | Landsbond van Liberale Mutualiteiten |
| Message | Mouvement des Etablissements et des Services Spécialisés dans l'Aide à la Jeunesse et à l'Enfance |
| MLOZ | Union Nationale des Mutualités Libres |
| MID | Medisch-sociale sector in dialoog |
| RKV | Rode Kruis Vlaanderen |
| Santhea | Association Francophone d'Institutions de Santé |
| SEGEC | Secrétariat Général de l'Enseignement Catholique |
| SMI | Services maternels et infantiles - Accueil de l'Enfant Vie Féminine |
| SOCIARE | Socioculturele Werkgeversfederatie |
| SG | Solidariteit voor het Gezin |
| SOVERVLAG | Socialistische Vereniging van Vlaamse Gezondheidsvoorzieningen |
| UNMS | Union Nationale des Mutualités Socialistes |
| UMN | Union des Mutualités Neutres |
| VCM | Vlaamse Christelijke Mutualiteiten |
| VNZ | Vlaams & Neutraal Ziekenfonds |
| VVDG | Vereniging van Diensten voor Gezinszorg van de Vlaamse Gemeenschap |
| VLAB | Vlaamse federatie van Beschutte Werkplaatsen |
| VOV/AEPS | Vereniging van Openbare Verzorgingsinstellingen NLK |
| VSKO | Vlaams Secretariaat Katholiek Onderwijs |
| VSO | Verbond Sociale Ondernemingen |
| VSZ | Vlaamse Socialistische Ziekenfondsen |
| VWV | Vlaams Welzijnsverbond |
| WGKV | Wit-Gele Kruis Vlaanderen |
| ZV | Zorgnet Vlaanderen |

ANNEX 3

List of joint committees and sub-committees covering the social profit sector:

- > **JC 152 - JC for subsidized institutions in charge of independent education for manual/blue-collar workers**
- > **JC 225 - JC for employees of grant-aided independent educational establishments**
- > **JC 318 - JC for home helps and elder care services** (set up on 4 October 1971)
 - JSC 318.01: French-speaking community, Walloon region and German-speaking community (set up on 21 June 1999)
 - JSC 318.02: Flemish community (set up on 21 June 1999)
- > **JC 319 - JC of education and accommodation establishments and services** (set up on 15 May 1981)
 - JSC 319.01: Flemish community (set up on 3 July 1990)
 - JSC 319.02: French-speaking community, Walloon region and German-speaking community (set up on 3 July 1999)
- > **JC 327 - JC for enterprises employing disabled persons and 'sheltered' workshops for the disabled** (set up on 15 January 1991)
 - JSC 327.01: Flemish community, Flemish community commission and sheltered workshops registered and/or subsidized by the Flemish community
 - JSC 327.02: French-speaking community commission
 - JSC 327.03: Walloon region and German-speaking community
- > **JC 329 - JC for the socio-cultural sector** (set up on 28 October 1993)
 - JSC 329.01: Flemish community
 - JSC 329.02: French-speaking and German-speaking communities, Walloon region
 - JSC 329.03: Federal and bi-community cultural organizations
- > **JC 330 - JC for health establishments and services** (set up on 9 March 2003)
- > **JC 331 - JC for the Flemish social welfare and health care sector** (set up on 9 March 2003)
- > **JC 332 - JC for the French- and German-speaking and bi-community sector of social welfare and health care** (set up on 9 March 2003)
- > **JC 337 - JC for the non-market sector** (set up on 8 March 2008): residuary JC regrouping the organizations of the non-market sector which are not part of another joint committee with specific official attributions, i.e. in particular the *mutualités* (mutual aid/insurance funds).

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National Report FINLAND



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Introduction

PESSIS – Social Dialogue in Social Services (Promoting Employers’ Social Services Organizations in Social Dialogue) – project’s purpose is to gather quantitative and qualitative information on social dialogue in social services from the perspective of an employer. The goal is to understand how the social dialogue between employers and employees works (or doesn’t work) in social services as well as identify factors that prevent a more intense co-operation.

In Pessis –project the term social dialogue is defined as ‘a dialogue between employers and employees’. It deals with the terms of employment as well as the development, negotiation and agreement on working conditions. The negotiating parties are the employer and the employee and, when necessary, the government as a third party. Social dialogue can take place at an individual level or on a local and federal level, but also at the national and European Union level by crossing the federal boundaries.

The following social services are the focus of attention in the project:

- Long-term care for the elderly and sheltered housing activities
- Care and rehabilitation for people with disabilities
- Child care
- Other social services: for example services directed at people with mental problems and problems with substance abuse

The project is managed by the European Associations of Service Providers for Persons with Disabilities (*EASPD*) in collaboration with eight other European social service organizations (*Caritas Europa*, the European Council of Associations of General Interest *CEDAG*, the European Platform for Rehabilitation *EPR*, the European Federation of Public Service Unions *Epsu*, *Eurodiaconia*, the European Federation of national Organizations Working with the Homeless *FEANTSA*, *Solidar*, *Workability Europe*) as well as non-governmental organizations

administering national surveys performed in ten European countries (Austria, Great Britain, Spain, Ireland, Belgium, Germany, Finland, Slovenia, Greece, Holland). In addition, the research project involves France as an observer. The Finnish national survey is administered by Hengitysliitto ry (*Pulmonary association*)/ Luovi Vocational College. The research manager of Luovi Vocational College, Doctor of Education Anna-Liisa Lämsä, is responsible for the co-ordination and implementation of the survey.

The project will produce national reports in eleven European countries, in each country's native language. The reports will provide answers to the following questions:

- How many employers and employees are there in social services?
- How extensively are the employers and employees covered by the collective agreements?
- To what extent do the employers of the social service sector participate in social dialogue, and at what level?
- What are the most important issues in the social dialogue taking place in the social service sector and at what level? Are there issues that could be dealt with at the European Union level?

Answers to these questions are sought from previous studies, statistics and other documents, by inquiries and interviews directed at the representatives of social administration, social services providers and the trade unions of the sector as well as by analyzing the collective agreements of the sector and other agreements and recommendations related to them. The questions in the surveys and interviews were similar, so they have been used as alternative methods of gathering material depending on the situation of the respondents.

The national reports are translated into English, and an international summary report, which also includes recommendations for the European Parliament regarding the promotion of social dialogue, is devised on the basis of them.

1. Social Services

In accordance with the Social Welfare Act (710/1982), in Finland the municipalities are responsible for the organization of social services needed by their inhabitants. Social services arranged by municipalities are:

- Services for the elderly; home help services, sheltered housing and residential nursing care activities.
- Services for the disabled; general social services are primary, special services (housing, assistive device, transportation and interpreter services) are used if necessary.
- Services for children and families; daycare, home help services, residential and professional family care activities for children and young people
- Support, treatment and rehabilitation services for substance abusers and their families as well as housing services for people with mental health problems.

In addition to the above mentioned, the range of services offered by municipalities includes guidance, counseling and investigation of social problems and other support activities performed by the professional personnel of social services. These support activities maintain and promote the safety and management of everyday life of individuals and families as well as the functionality of communities. This report focuses on the above mentioned nursing and caring services directed at the elderly, the disabled, children and families, as well as to those who have problems with substance abuse and mental health, and which do not constitute health care. Social security and caring for family as well as long-term institutional care of elderly for example in a hospital ward are left outside of this analysis, since they do not deal with the social services referred to in this context.

The Field of Social Services

The Finnish social service system in its current form began in the 1970s-1980s. Before that the service offering was based on the tradition of poor relief. The change of the service system dealt with the enlargement of the range of services and the differentiation of services

by target groups. On the other hand the change dealt with the shift from institution-orientated services towards non-institutional care.

Today non-institutional care services are a priority in services offered to all target groups. Institutional care should be used only when the non-institutional care services are not sufficient to guarantee the necessary treatment and care for the customer. Especially in elderly services the aim is to enable living at home for as long as possible. The private sector became involved in the production of social services since the beginning of the 1990s. At present, it is responsible for about a third of the services.

Table 1. Development of social services in Finland (Anttonen & Sipilä 2011, 26–29).

| Concept | Statute | Content |
|-----------------|--|--|
| Ward system | Mendicant legislation → ward system 1871 | The houses of a parish formed a ward that took care of a certain number of the poor. The person in need received food, clothing, care and a burial from the house. |
| Poor Law | Cripple care Degree in 1852 and 1879 | Institutional care meant houses for the poor, elderly, disabled and children. Non-institutional care included being a "huutolainen" which meant being auctioned for a placement in a farm house. |
| Poor relief | Poor Relief Act 1946 Act Correctional Institutes of the State and Municipalities 1922 Child Welfare Act 1936 Vagabond Act 1936 | Institutional care as in the Poor Law statute. In addition, correctional institutes and children's homes of the state and municipalities. Non-institutional care mostly poor relief. |
| Social services | Children's Day Care Act 1973 Act on Special care of the mentally handicapped 1977 Social Welfare Act 1982 Child Welfare Act 1983, 2007 Substance Abuse Services Act 1986 Disabled Services Act 1987 | The principle committee for social welfare 1971. Non-institutional priority in all the acts. Institutional care diversifies to affect also the short-term care and day care. |

Social services in their current form can be roughly divided into institutional services and non-institutional services for those who live at home. Alternatively, services can be classified on the basis of target groups, so the services can be divided into institutional and non-

institutional services targeted at the elderly, disabled, substance abusers and those with mental health problems, and into daycare, foster care and home care services targeted at families with children. In Finland, health care and nursing organizations are outside of this, because they do not belong to social services.

Institutional care is provided for over 65-year-old senior citizens who need plenty of assistance, to the disabled and to persons with substance abuse problems in need of long-term rehabilitation, for whom round-the-clock service or rehabilitation they require cannot be arranged at home or in a service apartment. Institutional care is provided in retirement homes, nursing homes and care homes. In addition to the treatment the care includes food, medication, hygiene and clothing as well as services that promote social welfare. (Sosiaali- ja terveystalvelut 2012b.)

Sheltered housing is available when an elderly, a disabled or a person with substance abuse or mental health problems needs a lot of help to be able to cope with everyday chores but doesn't need institutional care. Sheltered housing always includes both housing and support services related to housing. Sheltered housing can be arranged in conventional apartments, in special service houses, group homes and residential groups. What is essential is that the resident has accommodation that is suitable for his/her needs. Housing support services can be implemented diversely and individually. Services may include home care assistance, food services, security services, assistance services, home care health services and other support services. (Sosiaali- ja terveystalvelut 2012b.)

Child daycare is social support provided for families with children by the government. In Finland, all children under school age are entitled to municipal daycare after the parents' maternal and paternal leave. The municipality has a duty to arrange care for the children also in the evenings, nights and weekends if their parents' work or studies requires

it. Daycare can mean daycare taking place in a daycare center or family daycare. Child minders can care for the children in their own home, in group homes or in the children's own homes. As an alternative to municipal daycare parents can choose private care allowance or homecare allowance for children under the age of three. A year before compulsory education starts a child is entitled to pre-school education arranged in connection with either daycare or school. (Sosiaali- ja terveyspalvelut 2012b.)

Children's foster care can be arranged as family care, institutional care or in another way compatible to the needs of the child. Foster care can be arranged when the growing conditions and the child's own actions endanger the child's healthy and balanced development to the extent that living at home is not in the child's best interest. Institutional care is arranged if the child's foster care cannot be arranged with the help of support services in home care or elsewhere. (Child Welfare Act 417/2007.) Institutional care of child protection is arranged in reception homes, children's homes, juvenile homes, approved schools and other protection institutions for children. (Sosiaali- ja terveyspalvelut 2012b.)

2.2 Service Providers and Personnel of the Sector

Finland has 336 municipalities and about 140 communities of municipalities who organize statutory basic services for their residents. They can arrange services as their own activity, together with other municipalities as a community of municipalities or by purchasing services from another municipal or private operator. (Aarnio & Sipilä 2007, 14; Julkinen sektori työnantajana 2006.) Municipalities produce approximately $\frac{2}{3}$ of the social services by themselves or in cooperation with other municipalities.

The number of municipal personnel has more than doubled in the last thirty years. The growth in personnel has been affected by the increase of statutory welfare services and the related growth of the share of social and health care services personnel of the labour force. In 2009,

one fifth of the working population worked in the municipal sector. 15.3 per cent, i.e. more than one in seven of all workers were employed by statutory basic service tasks of social and health care services. (Sosiaali- ja terveystalvelujen henkilöstö 2008.) A large part of the increase in the municipal sector's personnel was caused by the growth of the need for staff in services for the elderly. An ageing population is likely to increase the need for services for the elderly in the future, as well. Health care and nursing personnel are not included in the material of this report. (Julkinen sektori työnantajana 2006, 5-6; Kunta-alan työolobarometri 2011.)

The two largest groups of social services with regard to the number of employees are the services for the elderly and children's day care. In 2010, about three quarters of the entire personnel of social services was employed by these two sectors.

Table 2. Number of employees in social services in 2000-2008.

| Social services | 2000 | 2008 | Change 2000-2008 person | Change 2000-2008 % |
|-----------------------|----------------|----------------|-------------------------------|--------------------------|
| Care for the elderly | 57 100 | 81 300 | 24 200 | 29,8 |
| Child daycare | 59 300 | 62 500 | 3 200 | 5,1 |
| Other social services | 37 000 | 42 000 | 5 000 | 11,9 |
| Total | 153 400 | 185 800 | 32 400 | 17,4 |

Resource: National institute of Health and Welfare, Official Statistics of Finland. Personnel in Municipal social welfare and healthcare services in 2010.

In 2008, over $\frac{2}{3}$ of the personnel of social services was employed by the public sector in the service of municipalities and communities of municipalities. The role of municipalities as a producer of social services is especially important in children's day care and in residential nursing care activities and home help services for the elderly. Instead, private service producers organize the sheltered housing activities for the elderly increasingly.

Table 3. Public and private social services providers by industry in 2008.

| | Total | Public ¹⁾ | Private ²⁾ Business Non-profit |
|--|-------|----------------------|--|
|--|-------|----------------------|--|

| | N | % | enterprise s % | organizatio ns % |
|--|----------------|-------------|-------------------|---------------------|
| Care for the elderly | 81 300 | 62,7 | 18,6 | 18,6 |
| • Residential nursing care | 22 300 | 83,4 | 3,1 | 13,5 |
| • Sheltered housing activities for the elderly | 32 600 | 31,6 | 34,4 | 34,0 |
| • Home help services for the elderly | 26 400 | 83,4 | 3,1 | 13,5 |
| Child daycare | 62 500 | 89,7 | 5,8 | 4,6 |
| Other social services | 42 000 | 50,2 | 15,3 | 34,5 |
| Total | 185 800 | 69,0 | 13,5 | 17,5 |

Resource: National institute of Health and Welfare, Official Statistics of Finland. Personnel in the Municipal social welfare and healthcare services 2010; Personnel in Social welfare and Healthcare services 2008.

- 1) Further information about the personnel in the public social welfare services in appendix 1.
- 2) Further information about private social service providers in appendix 2.

Although municipalities still produce a large part of the social services by themselves, the number of private social service providers has increased steadily throughout the 2000s. In 2000, the number of operating units of private social services providers was 2,700 and in 2010 already 4,350. In 2010, there were 2,922 private providers of social services, some of whom had more than one operating unit.

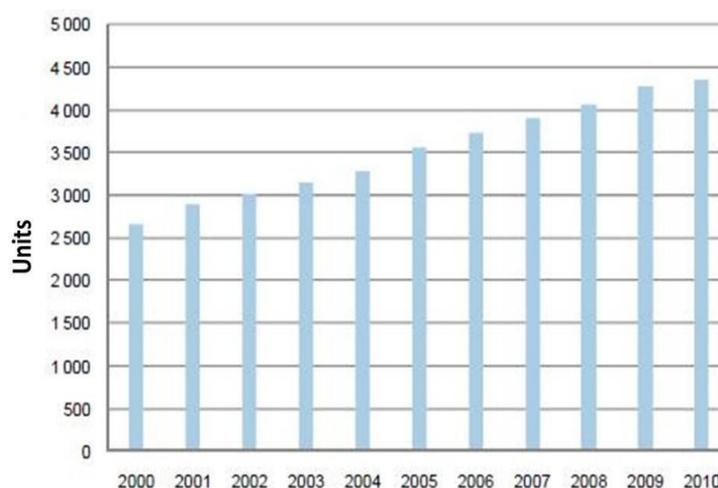


Figure 1. Private social service units in 2000–2010

Resource: National institute of Health and Welfare, Official Statistics of Finland. Private social services 2010.

In relative terms, the role of the private services providers is the greatest in child protection services as well as in the sheltered housing

activities for the elderly and the disabled and residential care activities for substance abusers. However, child day care services and residential nursing care activities for the elderly and the disabled are most often produced by municipalities.

Most private service providers are small workplaces, and only a few of them are bigger and operate nation-wide (Aarnio & Sipilä 2007, 15). Significant portion of the people who work in the sector are employed by bigger employers. Workplaces in the private social services sector can be further divided into profit-oriented and non-profit. The profit-orientated are privately owned companies and they can also be a part of a larger group, whose aim is to produce profit for its owners, just like ordinary limited companies. Non-profit workplaces are owned by associations or foundations, and the possible profit they generate is returned back to the activities of the organization or remains with the association. (Edunvalvonnann arkea ... 2009, 37.)

Table 4. Social services purchased by municipalities in 2010.

| | Municipality or joint municipal board | Private sector | Non-profit organizations | Business enterprises |
|---|---------------------------------------|----------------|--------------------------|----------------------|
| Child daycare | 88,7 | 11,3 | 5,6 | 5,7 |
| Residential and professional family care activities for children and young people | 32,5 | 67,5 | 13,2 | 54,3 |
| Residential nursing care activities for the elderly | 88,6 | 11,4 | 8,4 | 3,0 |
| Residential nursing care activities for the disabled | 82,7 | 17,3 | 16,0 | 1,3 |
| Sheltered housing activities for the elderly | 48,3 | 51,7 | 28,6 | 23,1 |
| Sheltered housing activities for the elderly with 24-hour assistance | 45,1 | 54,9 | 28,1 | 26,8 |
| Sheltered housing activities for the disabled | 53,1 | 46,9 | 19,9 | 27,1 |
| Sheltered housing activities for the disabled with 24-hour assistance | 44,4 | 55,6 | 22,4 | 33,2 |
| Residential care activities for substance abusers | 34,8 | 65,2 | 59,0 | 6,2 |

Resource: The Association of Social Service Employers/ Statistics of Finland 2010.

Act on Qualification Requirements for Social Welfare Professionals (272/2005) determines the eligibility of the personnel and who can be performing the professional work. In 2008, the largest occupational group in the social services sector was the practical nurses. Other large personnel groups are the childminders and kindergarten assistants as well as social work instructors and educators. The majority of different occupational groups in the social sector worked in the public sector.

The proportion of men in social services occupations was low. The proportion of men was especially low in different jobs in day care and home care, in addition to which only a small part of the practical nurses were male. Relatively most men worked as social work instructors and educators, personal care workers and mental handicap nurses. Relatively few people of non-Finnish origin worked in different occupations in the social sector. However, more persons of foreign origin than men worked as practical nurses, childminders, family childminders, kindergarten assistants, home care nurses and home care assistants. The median age of people working in social services was 43.4 years in 2008. The oldest by their median age were family care nurses, home aids and home assistants.

Table 5. The employees in social services by occupational group, the percentage (%) of employees working in the public sector, men, foreign nationals or non-Finnish origin and the average age of employees in 2008.

| Occupation groups ¹⁾ | Total | Public sector % | Men % | Foreign nationals or non-Finnish origin % | Average age |
|---|--------|--------------------|----------|---|----------------|
| Pre-primary education teaching professionals | 13 520 | 90,1 | 3 | 2,0 | 40,8 |
| Social workers | 4 140 | 67,8 | 10 | 1,8 | 42,9 |
| Social work instructors and educators | 18 330 | 51,4 | 21 | 3,1 | 41,1 |
| Childminders and kindergarten assistants | 24 970 | 87,5 | 3 | 4,3 | 41,5 |
| Family childminders | 15 840 | 93,9 | 1 | 1,5 | 47,1 |
| Practical nurses | 28 520 | 71,6 | 2,9 | 3,7 | 41,2 |
| Mental handicap | 4 180 | 76,7 | 10,6 | 3,8 | 39,9 |

| | | | | | |
|---|---------|------|-----|-----|------|
| nurses | | | | | |
| Social work assistants | 8 900 | 75,6 | 5,2 | 3,9 | 41,9 |
| Home care nurses and home care assistants | 14 290 | 78,6 | 1 | 2,4 | 46,1 |
| Personal care workers | 5 850 | 87,3 | 15 | 4,5 | 44,9 |
| Total | 186 000 | 69,0 | 9,1 | 3,2 | 43,4 |

Resource: National institute of Health and Welfare, Official Statistics of Finland.

1) Excluded health care professionals and other non-social care professionals who are working in social services.

Financing of Social Services

In addition to arranging social services, also financing of the services is mainly the responsibility of municipalities. The percentage of municipal financing of the costs of social services is generally approx. 65%. An exception to this is the private daycare allowance, in which the municipal share of financing is nearly 90%. The remaining part of financing of the services comes primarily from the state.

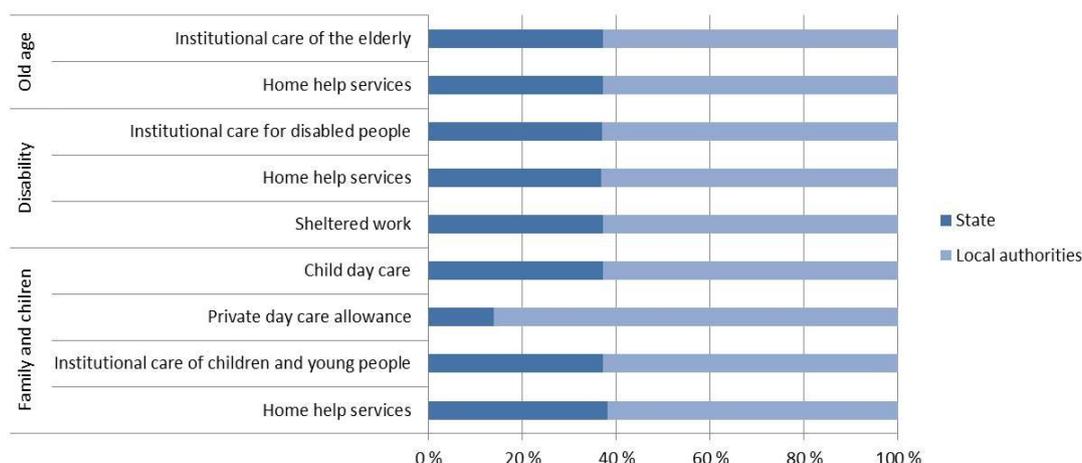


Figure 2. Financing of social expenditure in 2010.

Resource: National institute of Health and Welfare, Official Statistics of Finland, Social Protection Expenditure and Financing 2010.

The high proportion of municipal funding can be partly explained by the fact that in Finland basic services are statutory core activity of the municipalities. Municipalities buy a significant part of social services produced by private service providers to be able to manage this task. In 2010, 73 percent of private service providers sold at least half of their services to municipalities, either on the basis of purchase service

contracts or financial obligations. (Aarnio & Sipilä 2007, 17.) Especially in residential nursing care activities and sheltered housing activities for the disabled as well as in residential and professional family care activities for children and young people municipalities buy almost all the services produced by the private service providers. In 2010, 96% of the service providers for the residential nursing care activities and sheltered housing activities for the disabled sold all their services to municipalities and communities of municipalities. In the residential and professional family care activities for children and young people the corresponding figure was 97%. The proportion of municipal purchasing services was lowest in children's day care and home help services. Purchasing of services by households was supported by public funds also with housing allowances, service vouchers and private day care allowances. Only 615 operational units (16%) of private social services were functioning completely without purchase service contracts and financial obligations in 2010. (Yksityiset sosiaalipalvelut 2010, 1-2.)

Municipalities collect part of the financing of social services from the users as customer fees. When determining the fees, both customer's usage of the services and the ability to pay are taken into account. The fee collected from a customer in long-term institutional care includes the upkeep, treatment and services required, for example medicines. The fee cannot exceed 85 per cent of net income (in 2012), or 42.5 per cent of the spouses' total income if one of the spouses is living at home. In any case, the fee can be determined at the most to such amount that the person covered by services is left with at least EUR99 per month. In sheltered housing the resident pays the rent and other housing-related costs, such as water and electricity, by him-/herself directly to the landlord and also takes care of the health and medical care costs by him-/herself. The municipality charges a service fee, which is a compensation for the nursing and care services used by the resident. The amount of this fee is determined by the amount of services written

in the service and care plan and the customer's ability to pay. The day care fee charged by municipalities from the families is EUR21-233 per month. The family's income and number of children affect the amount of the fee. Day care fee is not charged from families with the lowest incomes. (Degree on social and health care customers' fees 912/1992; Sosiaali- ja terveystalvelut 2012a.)

Table 6. Social expenditure and financing in Finland in 2010, € million.

| | | State | Local authorities | Total | Clients |
|----------------------------|---|-------|-------------------|-------|---------|
| Old age | Institutional care of the elderly | 280 | 474 | 754 | 215 |
| | Home help services | 188 | 319 | 507 | 97 |
| Disability | Institutional care for disabled people | 64 | 109 | 173 | 16 |
| | Home help services | 28 | 48 | 76 | 15 |
| | Sheltered work | 61 | 103 | 164 | 5 |
| Family and children | Child daycare | 683 | 1158 | 1841 | 303 |
| | Private daycare allowance | 13 | 80 | 93 | 0 |
| | Institutional care of children and young people | 213 | 360 | 573 | 13 |
| | Home help | 8 | 13 | 21 | 4 |

Resource: National institute of Health and Welfare, Official Statistics of Finland, Social Protection Expenditure and Financing 2010.

2. The Collective Agreements as a Form of Social Dialogue

Social dialogue is either completely or at least partly unfamiliar term for many employers and other operators and it is by no means self-evident what the term refers to. It may be thought to mean for example multi-professional cooperation or to be limited only to negotiations on a certain level, in which case the employer may not recognize his own role in the dialogue.

Social dialogue is first and foremost a term belonging to the language use of the European Union. It is most familiar to the representatives of the employer and worker organizations and state administration involved in cooperation in the European Union level. Despite of term's unfamiliarity, dialogue takes place at different levels. Instead of social dialogue in Finland we talk in different contexts of labour legislation, collective agreements and their application, cooperation at workplaces, actions sustaining working ability, consultation of employees on important issues related to the organization of work, employment contracts or development discussions depending on at what level and what kind of issues are debated.

The Collective Agreement System

In Finland, social dialogue can most clearly be seen in the collective agreement system. The system creates a strong foundation and a clear structure for the dialogue. In this form the dialogue has a long tradition in our country and commitment has been made to it in national legislation, as well. Centralized solutions relating to incomes policy concerning different sectors have been discussed in Finland from time to time for over thirty years. The negotiation operations of the labour markets are based on a tripartite system. This means cooperation and negotiations between employer organizations, trade unions and the government when agreeing on working conditions. The negotiations aim for a solution which will ensure stable development of the society by agreeing on the general level of wage increases and the framework for collective agreements in different fields. (Julkinen sektori työnantajana 2006, 7.) The government doesn't actually take part in the negotiations, but promises 'common good' for the contracting parties if the wage increases are moderate and support the competitiveness and employment of the country. The common good refers to new employment laws, social policy reforms and tax relieves. (Kauppinen 2008.)

Any Central Organization negotiations are followed by negotiations held between the employers' organizations and the labour organizations at the union level to agree on sector-specific terms of employment relationships. Each sector's specific nature and the specific issues that rise in each sector have to be taken into account with the restrictions that have been agreed on the level of the Central Organization. Sector-specific agreements are used also when a comprehensive incomes policy solution does not arise. Occasionally there have been longer periods when working conditions have been negotiated at a sector-specific union level. Collective agreements may also include items such as local wage increase batches, distribution of which will be agreed on locally. (Julkinen sektori työnantajana 2006, 7-8; Kauppinen 2008.)

The level of organization of employers is high. The municipal agreement system covers all municipalities and communities of municipalities and their employees. 84.7 per cent of employees working in the public sector belong to labour organizations (Kunta-alan työolobarometri 2011, 2). The organizational level of employers and employees in private social services is slightly lower. (Julkinen sektori työnantajana 2006, 7-8; Kauppinen 2008.) Despite the lower organizational level of the private sector, the collective agreement of the private social sector is also universally binding while a large proportion of employees work in the service of an organized employer (Ahtiainen 2011b, 49–50). A significant part of unorganized employers operate under a company name and employ only themselves or have a few paid employees. Women are more highly organized than men. Of the labour organizations in the social service field, in particular the Union of Health and Social Care Services (Tehy ry) as well as the Finnish Union of Practical Nurses (Super ry) are female-dominated trade unions (Ahtiainen 2011b, 23; STTK:n Toimihenkilöbarometri 2009, 38).

In Finnish labour market model the public sector's free negotiation relationships are almost equivalent to those in the private sector. The possibilities of all employees to participate in and influence at work are guaranteed by law. Legal participation and influencing possibilities are complemented by company-specific cooperation groups based on representative participation that exist especially in larger companies. These structures together with the high level of organization and the steward system guarantee a Finnish worker far greater possibilities to influence in the working life than the workers of many other countries have.

Collective Agreements of the Social Services Sector

Public social services comply with the Municipal general collective agreements while the private social services comply with the Collective agreement of the private social services sector. These agreements are based on incomes policy frame agreements and they are universally binding. They guarantee a certain minimum security to an employee and the minimum level determined by them must be followed even at those work places where the employers are unorganized.

The central contents of the collective agreements of the social services sector are related to employees' pay, working hours and annual holidays. In the social services sector, the basic salary ranges from approximately 1,500 euros to nearly 4,000 euros. The size of the basic salary is affected by the specific salary part/wage grouping that is compatible with the demands of the job and the training required as well as the experience supplements based on the number of employment years. In addition, the amount of the basic salary is affected by possible evening, night-time, Saturday and Sunday supplements paid for working hours that differ from the regular working hours as well as by possible compensations paid for being for stand-by and for emergencies, personal salary and bonuses. Part-time employee's pay is based on the number of work hours in relation to the total working time. Trainees and employees who are under 25-years-old may be paid less than the salaries based on the task, especially in the early stages of employment.

Depending on the work task the working time may vary from regular day work to shift work that includes work in the evenings, nights and weekends depending on the nature of the provided services and the needs of the customer. In shift work the duty rotas are made in 3-6 weeks cycles, where the working hours may differ from the maximum daily and weekly working time. However, when determining the working

hours the regulations of the labour legislation and collective agreement regarding rest periods and maximum working time constraints must be taken into account. It must also be taken into account that the average working hours according to duty rota will be stabilized over the period. Work exceeding the regular working hours, weekly working hours or work according to duty rota is overtime, during which an employee will receive 50-100 percent higher rate of pay.

Annual holiday benefits are determined by the Annual Holidays Act (162/2005) and the relevant collective agreement. Vacation accumulation is tied to the amount of full holiday credit months and work experience. The longer a person has been in the working life, the longer are his/her holidays. In addition, if a person has been in the working life for a long period of time, she/he might be entitled to extra vacation days.

In addition to the above-discussed issues, the collective agreements contain regulations regarding salary groups and other criteria for payment of salaries, paid and unpaid leaves, family leaves and taking week holidays into account in the working hours. Collective agreements also include instructions for how long an employee receives sick pay and how the length of employment affects this time as well as in what other circumstances and how long an employee can have a paid leave. In addition, collective agreements include local agreements on employment terms and regulations regarding the activities of shop stewards in the workplace. The appendix of the municipal collective agreement deals separately with for example day care personnel's and family childminders salaries and working hours.

In accordance with collective agreements, organized employees are entitled to choose among themselves a shop steward and a deputy shop steward who act in accordance with their authorization with issues relating to the application of the collective agreement and other employment relationship-related issues. In the employment relationship

with the employer the shop steward is in the same position as the other employees. The trust status doesn't place him/her in a special position in relation to the employer, but it must not compromise his/her position in the workplace, either. The shop steward's fee is tied to the number of employees being represented.

In addition to collective agreements, in cooperation of labour market organizations additional agreements and recommendations for the collective agreements have been prepared regarding for instance development of productive activities, healthy and productive working hours, cooperation in work safety, work-related stress and workplace harassment and violence. In addition, individual employees' unions have published guides which handle the personnel's position in municipal and service structure reforms, outsourcing of services, local agreements, well-being at work and work safety cooperation, inappropriate treatment, harassment and bullying at the workplace, emergency duties in social services and working in different sectors of social services (intellectual disability sector, practical nurses, elderly work and early childhood education). Guides and contracts pay attention not only to the application of collective agreements but also to well-being at work as well as the implementation of relating international framework agreements in Finland.

3.1. Local Agreements for Employment Terms

Local agreements for employment terms refer to making a collective agreement at the beginning of an employment relationship as well as the negotiation of work shifts, annual holidays and other employment terms during the employment relationship. However, it does not only refer to the application of collective agreements when agreeing on employment terms, but also to making local agreements that differ from the sector's collective agreement and adding to the regulations described in it.

In recent years, local room for negotiation has been added so that increasingly often parts of labour market issues can be agreed on locally (Julkinen sektori työnantajana 2006, 8). Local agreements must, however, always comply with the minimum limits regarding for example the minimum wage and maximum working hours that are prescribed in legislation and collective agreements, and the working contract and employers specific regulations cannot be less than the regulations of collective agreements and legislation. In practice, local agreements refer to negotiations at the workplace level between the employer and the shop steward representing the employees. If there is no shop steward at the workplace, either all the employees, one employee representing the rest or an individual employee in his own case can take part in the negotiations.

Top locally agreed issues are the working hours and compensations for irregular working hours. In the public sector, for example the balancing of working hours during at the most one year has been agreed on locally. Also the private social services sector has made local agreements regarding long term balancing of working hours in addition to which the targets of local agreements have been for example the compensations for weekend work, excursion days and phone duty. Usage of the working hours bank and the flexible determination of working hours while paying attention to local needs have become some of the issues negotiated at the local level both in the public and in the private sector. Both employers and employees are generally satisfied with the local agreements regarding working hours. In addition to working hours, issues agreed on locally are for example occupational health, supervision of work and consultation, as well as trainings, exercise vouchers, massage services, excursions, trips and cultural events paid by the employer, in other words different issues relating to well-being at work, work health and skills development as well as recreation of the employees. (Edunvalvonnän arkea... 2009, 48, 52–53.)

Salary is not negotiated locally as often as the working hours (Edunvalvonnann arkea... 2009, 53). In recent years, however, locally distributed salary increase portions have been included in sector-specific collective agreements in addition to the general increases. Sharing a local salary increase portion may be based on perceived flaws in salaries, the nature of work tasks or personal performance and skills of an employee. The aim of allocating the increases is a consensus between the employer and the employees. If a consensus cannot be found, the employer decides the allocation of the local portion. However, the employer must always inform the employee union of how and based on what criteria the local portion has been distributed. In order to be legally valid, an agreement that deals with locally agreed issues must be in writing and it has to reflect who and what part of the collective agreement it covers and what has been agreed on.

Cooperation at workplaces is usually very consensus-minded. Employers think that the collective agreement is reasonably clear and easy to comply with. Issues are discussed at workplaces and common solutions are sought for possible problems. (Edunvalvonnann arkea... 2009, 45–46, 53.) However, it's not always possible to avoid employment relationship disagreements and interpretations regarding employment terms can differ between different parties. Operational unit specific practices that have been formed during their history bring their own challenges to local agreements of employment terms, since they don't necessarily reflect the current service needs and valid regulations, agreements and guidelines.

Disputes relating to employment terms are solved, when possible, by negotiating at the workplace level and relying on employment relationship guidance provided by the employers' union, if necessary. Some employers are in regular contact with the employers' union with issues regarding the interpretation and application of collective agreements. These types of contacts are common in particular when a

new collective agreement is introduced. Also the local salary increase portions distributed in addition to general increases raise questions. (Edunvalvonnann arkea... 2009, 45–46, 53.) The main focus in the guidance services of the employer union in social services is in consulting taking place by phone and e-mail as well as giving professional assistance regarding the interpretation of legislation, collective agreements and work contracts, starting and terminating an employment relationship, annual leaves, working hours and other issues relating to employment relationships.

Employees examine the web-pages of employees' unions and read the unions' papers when they need information regarding employment relationships and terms (Edunvalvonnann arkea... 2009, 46, 52). They can contact their own union or its district office with questions relating to employment term agreements and interpretation of collective agreements. A contact can deal with questions relating to making a contract of employment, salaries, working hours, annual holidays and other questions relating to employment relationship and terms. If problems occur, the employee union's representative will contact the employer. Occasionally problems can be solved quite quickly this way. (Aarnio & Sipilä 2007, 27–28, 37.)

Social dialogue of a local level is made more difficult by unorganized employers and employees as well as lack of know-how related to social dialogue. Many unorganized employers are sole proprietors employing just themselves or small companies with only a few employees. Founding a company, producing services, marketing and other business-related issues require so much from them that no time and energy remains for committing themselves in the obligations of an employer. It is not, however, only a problem related to the lack of time, but also the know-how of the employers has deficiencies. Not all employers are familiar with the general validity of collective agreements and they don't know how to interpret them. In the worst case, the

employer may end up in financial responsibilities and problems because of claims from employees.

Finnish employees respect Central Organizations and see them as key guarantors of the well-being of employees. Security is the main reason why employee wants to belong to a union. The concept of security includes unemployment benefits and counselling regarding employment relationships and terms. It is "safer" to negotiate issues in the workplace when you have the backing of a strong union. The most common motives for a membership in an employees' union are earnings-related unemployment, salary and employment security, effectiveness in protecting the members' interests created by large membership and in general the security that a membership brings in a changing world. (Aarnio & Sipilä 2007, 30; Edunvalvonnän arkea... 2009, 50.)

However, not all employees belong to a employees' union. Those who don't belong to a union have been able to secure their unemployment by joining an unemployment fund independent from the unions of the sector (Ahtiainen 2011, 49–51). They don't necessarily think that a membership in a union is necessary in their case while everything is in order at the workplace. On the other hand, the reason for not belonging to a union may be the lack of information regarding lobbying or thinking that the unions don't offer help when needed. Small companies don't usually have shop stewards so the trade union issues remain largely unsolved unless the employee has joined a union earlier either through a student membership or while working in the public sector. (Aarnio & Sipilä 2007, 39–41; Edunvalvonnän arkea... 2009, 50, 53.)

Employees' knowledge of the collective agreement may be inadequate even if they belong to an employees' union. The reasons for this are employees being members in different unions at the same workplace and the lack of shop stewards especially in small workplaces, so the employment relationships and issues relating to employment terms are

not discussed that easily in the workplaces. (Aarnio & Sipilä 2007, 39–41; Edunvalvonnan arkea... 2009, 50, 53.)

3. Social Dialogue in Social Services

Although public and private social services do not differ significantly from each other, based on field studies carried out in the sector they have their own features. Therefore they are briefly examined here separately. Special attention is paid on what issues work well in the public and the private sector and where there is room for improvement. At the end, the general realization of social dialogue is discussed in its own subchapter. At the same time the issues deals with reflecting what are the important issues in social dialogue at different levels, what does successful social dialogue require and how the dialogue could be developed.

3.1. Public Sector as an Employer

The public sector is generally regarded as a reliable and stable employer. It has a good service relationship security and in the whole competitive terms of service relationship. Guidelines and rules relating to the employees are clear and effectively controlled. Pay systems based on job demands and personal performance and job evaluation systems have become more common. The size of the salary is still mainly influenced by the number of employment years, but nowadays also personal performance accounts. Salary is considered fair but not yet competitive, encouraging and rewarding the right things. Gender equality actualizes in decision making and in the working life. (Kuntalan työolobarometri 2011, 1, 3-4, 7-9.) However, the placement of men and women in different types of work tasks and different ways of working can be seen in the salary differences between the genders. (Julkinen sektori työnantajana 2006, 2, 13–14.)

Development discussions are much more common in the public sector than in the private sector and they have become increasingly common

in the social services sector. Maintaining and developing know-how and expertise as well as balancing work and family life are viewed positively. Opportunities to participate in employer-funded training are good. Also participating in the development of workplace operations and the possibilities to influence work tasks, work pace and sharing of tasks have improved over the last couple of years. Activities maintaining working abilities are organized quite commonly at workplaces. (Kunta-alan työolobarometri 2011, 7, 15–18.)

The experience of employees regarding the sufficiency of personnel has improved in the public sector in recent years. Both permanent and temporary new employees have been hired at workplaces and there has been positive development in the organization of work tasks. Also the employees' work relationship security has been improved by changing fixed-term contracts to indefinite contracts. Fixed-term contracts are still common, especially among employees under the age of 35 (STTK:n toimihenkilöbarometri 2011, 38). The fact that unequal treatment of fixed-term and young employees has increased in the last couple of years hasn't made their situation easier. (Kunta-alan työolobarometri 2011, 4, 12.) Unequal treatment refers for example to fewer possibilities for substitutes to receive further training. However, some employees want to do fixed-term work or casual jobs for many employers.

Physical hardness of work has reduced. The work is, however, often perceived as mentally hard. Workplace bullying and emotional abuse, being bullied by customers and co-workers and conflicts between superiors and subordinates have become more common in the social sector. Openness and confidentiality between the relations of employees and the management as well as the security of employees with regard to maintaining their jobs have deteriorated when compared to the previous year. Tasks and their objectives are not discussed together as often as in the previous year. Also encouraging employees to try new things and constructive attitude of the superiors towards suggestions

for changes have reduced. Work performance requirements and the need to work overtime have increased. Much of the overtime is compensated with free time. (Kunta-alan työolobarometri 2011, 3, 10–14.)

Private Sector as an Employer

The private social services sector is a sector that is situated in the middle ground between the public and the private sector and whose operating environment is constantly moving and is subject to political interests (Edunvalvonnan arkea ... 2009, 39). The operating environment and practices of social and health care sectors have changed dramatically in recent years. The share of private services of the service provision has increased and the emphasis has shifted increasingly towards non-institutional services. Private services are at the moment a significant part of the overall system of social services and, as the service needs are increasing, the operations of the companies and organizations in the sector are essential from the viewpoint of the availability of services. The municipalities, who are responsible for organizing the services, decide if they produce the services themselves or buy them from elsewhere and from whom they buy the services and how long the purchase service agreements are. In addition, service users can increasingly buy the required service from the provider they want with a service voucher. (Aarnio & Sipilä 2007, 14–19.)

Today, over 80 per cent of the bidding for service purchases consists of so called general agreement tenders, in which many service providers are chosen. Bidding usually concerns producing services for new customers. There are fixed-term employment relationships in the social service sector to some extent, as in all other sectors. Some of the employees see fixed-term employment as a problem (Edunvalvonnan arkea ... 2009, 41). In turn, some of the employees don't want to

commit to one job, but instead are doing so called casual jobs for several employers at the same time. In practice, there is no unemployment in the sector when taking into account that every field has a few per cent of unemployment related to regional demand and supply of workforce. Updating the training of the sector is done in accordance with the recommendations given by the ministry and quantitatively the updating training of the sector is broader than in many other sectors.

The main problems in the private sector are the availability of personnel and the employees' well-being. The availability of workforce is made difficult among other things by the location of the workplace in a small locality and high professional requirements that limit the number of potential applicants. The fact that the vacancies are not filled and substitutes are not found as well as the constantly changing substitutes is straining the employees who feel a great responsibility in their work and for their clients also outside working hours. Straining is also caused by questions relating to work safety, especially in parts of the work tasks of social services. (Edunvalvonnarakenne ... 2009, 41–44.)

Employees' mutual cooperation in private social services is mostly informal. For example employment terms, salaries or professional organization don't often arise as a subject in the conversations between employees. Part of the reason for this is that the employees are unorganized or the employees working in the same workplace belong to several employees' unions, but also being content in their work as well as the atmosphere and practices of the workplace. Employees appreciate the good atmosphere of small workplaces and the open discussion between the employer and the employees, and consider it to be relevant in terms of the fluency of work tasks. (Aarnio & Sipilä 2007, 29–30; Edunvalvonnarakenne ... 2009, 40, 44, 50–51.)

A flat hierarchy facilitates the agreement on issues in the private sector. Employees at small workplaces often play a central role and are able to remarkably influence the content of their work and the employment

terms. The work is diverse and independent. For example working hours and holidays are agreed on in work teams often independently and according to the employees' wishes. Employers intervene in the placement of holidays only if it's necessary. Employees, who have previously worked in the public sector, feel that the flexibility of the work and their own possibilities to influence are better in the private social services sector than in the public sector. (Aarnio & Sipilä 2007, 30–31; Edunvalvonnann arkea ... 2009, 42–43.)

Organizing private services is subject to license. The State Provincial Offices issue licenses to new service providers. When issuing licenses, attention is paid among other things to the personnel's training and sufficiency. The State Provincial Office also monitors the activities of private service providers. According to the Act on Private Social Services (922/2011) that came into force in 2011, private social service providers must compose a plan for self-monitoring to secure the quality of operations. Although the plan is aimed, above all, at the quality of services received by customers, it also has an impact on the working conditions. Information about personnel, premises, equipment and materials, among other things, is written down in the plan. In addition, the plan can take into account what kind of know-how is needed in the company in order to reach the set goals. Self-monitoring plans must be completed by September 2012. Information on their implementation is available at the earliest in 2013.

3.2. Important Issues in Social Dialogue

Social dialogue is a way to handle issues that are important for employers and employees on different levels of operation. When successful, social dialogue prevents conflicts and misunderstandings, helps to understand common goals and improves efficiency and the quality of working life.

Based on this report, an essential condition for the realization of social dialogue is organization. At the national and international level, social

dialogue is representative and actualizes through the organizations of the employers and employees. Also at the local level, most often it is the organized employers and employees who have the know-how necessary for dialogue.

Organization is closely related to another important issue for social dialogue: security. Security is an essential reason of employees for belonging to trade unions. Motives for membership are unemployment, salary and employment security as well as the general security that the membership brings in the changing world. Universally binding collective agreements guarantee a certain minimum security also to those employees whose employers are not organized. On the other hand, successful social dialogue increases the confidence of employees towards their employers and thus also strengthens the feeling of security.

Organization is also related to reliability as well as clear rules and guidelines. Mutual agreements and guidelines provide a clear framework for how to act in different situations. On the other hand both the employers and employees' representatives emphasize flexibility and think that the possibility to increase local agreements is a good thing. Local agreements allow the observation of local special characteristics and needs as well as the individual needs of the employees and improve the availability and motivation of the workforce.

Successful social dialogue necessitates participation from the employees. Participation is based on the employees' possibilities to influence their work, their working conditions and the working community. Bases for successful dialogue are created by the support of the superior, flow of information, listening to the personnel and respecting one's own work and the work of others. A good work atmosphere and open discussion provide courage to intervene in possible workplace problems and to seek solutions for them together. The experiences of success come from small issues. With mutual discussions, the employer and employee find solutions for better

organization of work tasks and labour resources. Disputes regarding employment relationships and employment terms can be agreed on in negotiations between the employer, the employee and the employees' organization.

Effective social dialogue increases the attractiveness of the workplace and strengthens its image. People want to study in the sector and they remain at work. Keeping personnel employed for a long time is beneficial for the employer. Both the employer and the employees win. Orientation and other things consume resources if employees change constantly. Lack of dialogue may in turn appear like a lack of common objectives, inflexibility, and under-utilization of the employees' skills, which reduce the employees' well-being and increase fatigue, sick leaves and resignations. Effective dialogue requires that both the employer and the employee have the skills for social dialogue, for example through the shop steward system.

Social dialogue isn't only about agreeing on the employment terms and application of the made agreements. It's always also about the development of the employment terms and working conditions. Development work is done between universally binding collective agreements in the cooperation groups of the organizations of the employers and employees. Trade unions could have a stronger role than they nowadays have as a positive network and development partner in the workplaces also at local level.

Most of the trade unions in the Finnish social services sector are involved in the social discussion at the European Union level. Municipal employers are members of CEEP (The European Centre of Employers and Enterprises providing Public services) and the employees' organizations of the sector (The Trade Union for the Public and Welfare Sectors *JHL*, The Union of Health and Social Care Professionals *Tehy ry*, the Finnish Union of Practical Nurses *Super ry*) are members of EPSU (the European Federation of Public Service Unions). **FIPSU ry** (Finnish Public Services Unions' EU Working Party **Fipsu**) is responsible for

lobbying for the trade unions of the Finnish public sector in the European Union. It is no longer enough to participate in the dialogue only nationally. Operating for securing and developing the working life and services requires international cooperation for example in questions relating to well-being at work, occupational health, and occupational safety. Because of the differences in the national systems, the consensus is more difficult in questions relating to the employment terms and service systems.

Conclusions

Social dialogue is not a well-known term in the Finnish social services sector. However, this doesn't mean that social dialogue doesn't take place in the sector. Most clearly social dialogue appears in the collective agreement system and negotiations held at different levels regarding employment terms and working conditions.

The Finnish social service system is based on the Nordic welfare state model. Organization of services as a responsibility of the municipalities is set already in legislation. The share of public services in providing services is great. However, the share of private services in service providing has increased over the past 20 years or so and is already $\frac{1}{3}$. The importance of municipalities as service providers is, however, increased by the fact that the municipalities buy most of the services produced by private service providers. Public and private services in Finland do not differ significantly from each other. Non-institutional services are a priority in social services offered to all target groups.

The basis for the social dialogue is created by the collective agreements of the public and private social services sector, and these agreements are universally binding while most of the employees of the sector work in the service of an organized employer. Universally binding collective agreements guarantee the employees a certain minimum security and provide a clear framework for the discussion held in the sector. The collective agreements of public and private social services do not differ

significantly from each other. The strength of the national system is the obligation for equality. Finland does not have a two-level labour market with different terms of employment.

Dialogue is held at a national and a local level. Organization, security, reliability, flexibility and participation characterize the dialogue. Collective agreements provide a framework, but labour market issues can be increasingly agreed on flexibly at the local level by taking into account the local needs. Developing the working life and services requires international cooperation for example in questions regarding well-being and security at work. Due to the differences in the national systems, consensus is more difficult to find in questions regarding employment terms and service systems. Social services have a specific social interest. Services cannot be realized only with the labour market's buying/selling of workforce dimension. Arranging services must be included in the national decision-making power also in the future.

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1 anonymous informant; written information

Attachments

Appendix 1. Personnel in Municipal social services by activity in 2010.

| | |
|--|---------------------------|
| 1.1.1 | 1. 1.1.3 Personnel |
| 1.1.4 Institutional care of the elderly | 1. 1.1.6 21 620 |
| • Residential nursing care activities for the elderly | 1. 1.1.8 13 770 |
| • Sheltered housing activities for the elderly | 1. 1.1.10 7 850 |
| 1.1.11 Institutional care for disabled people | 1. 1.1.13 5 660 |
| • Residential nursing and care activities for mental retardation | 1. 1.1.15 5 620 |
| • Residential nursing care activities for the disabled (excl. residential nursing care activities for mental retardation.) | 1. 1.1.17 1.1.18 10 |
| • Sheltered housing activities for the disabled (excl. sheltered housing activities for mental retardation) | 1. 1.1.20 1.1.21 30 |
| 1.1.22 Residential care activities for families and children | 1. 1.1.24 2 680 |
| • Residential and professional family care activities for children and young people | 1. 1.1.26 2600 |
| • Mother and child homes and shelters | 1. 1.1.28 80 |
| 1.1.29 Other residential care activities | 1. 1.1.31 1 790 |
| • Residential care activities for mental health | 1. 1.1.33 |
| • Institutions for substance abusers | 1. 1.1.35 320 |
| • Residential care activities for substance abuse | 1. 1.1.37 60 |
| • Other institutions and housing services | 1. 1.1.39 1 410 |
| 1.1.40 Residential care activities | 1. 1.1.42 31 750 |
| 1.1.43 Social work activities without accommodation for the elderly and disabled | 1. 1.1.45 20 900 |
| • Home help services for the elderly and disabled | 1. 1.1.47 16 000 |
| • Day activity services for the elderly | 1. 1.1.49 1 000 |

| | | | |
|---|----|--------|---------|
| • Day activity and sheltered work services for the disabled | 1. | 1.1.51 | 2 390 |
| • Other services without accommodation for the elderly and disabled | 1. | 1.1.53 | 1 540 |
| 1.1.54 Child daycare | 1. | 1.1.56 | 52 300 |
| • Child daycare homes | 1. | 1.1.58 | 49 700 |
| • Other child daycare | 1. | 1.1.60 | 2 580 |
| 1.1.61 Other social work activities without accommodation n.e.c. | 1. | 1.1.63 | 10 800 |
| • Home help services for others than the elderly and disabled | 1. | 1.1.65 | 20 |
| • Day activity and sheltered work services for others than the elderly and disabled | 1. | 1.1.67 | 1 330 |
| • Outpatient rehabilitation for intoxicant abusers | 1. | 1.1.69 | 740 |
| • Other social work activities without accommodation n.e.c. | 1. | 1.1.71 | 8 700 |
| 1.1.72 Social work activities without accommodation | 1. | 1.1.74 | 84 000 |
| 1.1.75 Headcount | 1. | 1.1.77 | 115 750 |
| • men | | 1.1.78 | 6 110 |
| • women | | 1.1.79 | 109 600 |
| 1.1.80 Average age | 1. | 1.1.82 | 44,7 |
| • men | | 1.1.83 | 42,5 |
| • women | | 1.1.84 | 44,8 |

Resource: National Institute for Health and Welfare, Official Statistic of Finland, Personnel in the Municipal social welfare and healthcare services 2010.

Appendix 2. Private social service providers by activity in 2010.

| 1.1.85 | 1.1.86 Non-profit organizations | 1.1.87 Business enterprises | 1.1.89 Others | 1.1.90 Total |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| 1.1.91 Institutional care of the elderly | 1.1.92 357 | 1.1.93 500 | 1.1.94 0 | 1.1.95 857 |
| • Residential nursing care activities for the elderly | 1.1.96 25 | 1.1.97 20 | 1.1.98 - | 1.1.99 45 |
| • Sheltered housing activities for the elderly | 1.1.100 332 | 1.1.101 480 | 1.1.102 - | 1.1.103 812 |
| 1.1.104 Institutional care for disabled people | 1.1.105 133 | 1.1.106 202 | 1.1.107 0 | 1.1.108 336 |
| • Residential nursing and care activities for mental retardation | 1.1.109 1.1.110 111 | 1.1.111 1.1.112 148 | 1.1.113 1.1.114 - | 1.1.115 1.1.116 260 |
| • Residential nursing care activities for the disabled (excl. residential nursing care activities for mental retardation.) | 1.1.117 1.1.118 1.1.119 1 | 1.1.120 1.1.121 1.1.122 1 | 1.1.123 1.1.124 1.1.125 - | 1.1.126 1.1.127 1.1.128 2 |
| • Sheltered housing activities for the disabled (excl. sheltered housing activities for mental retardation) | 1.1.129 1.1.130 21 | 1.1.131 1.1.132 53 | 1.1.133 1.1.134 - | 1.1.135 1.1.136 74 |

| | | | | |
|---|--------------------|--------------------|------------------|--------------------|
| 1.1.137 Residential care activities for families and children | 1.1.138 80 | 1.1.139 561 | 1.1.140 1 | 1.1.141 642 |
| • Residential and professional family care activities for children and young people | 1.1.142 | 1.1.144 | 1.1.146 | 1.1.148 |
| | 1.1.143 53 | 1.1.145 560 | 1.1.147 1 | 1.1.149 614 |
| • Mother and child homes and shelters | 1.1.150 27 | 1.1.151 1 | 1.1.152 - | 1.1.153 28 |
| 1.1.154 Other residential care activities | 1.1.155 239 | 1.1.156 396 | 1.1.157 0 | 1.1.158 635 |
| • Residential care activities for mental health | 1.1.159 72 | 1.1.160 300 | 1.1.161 - | 1.1.162 372 |
| • Institutions for substance abusers | 1.1.163 28 | 1.1.164 10 | 1.1.165 - | 1.1.166 38 |
| • Residential care activities for substance abuse | 1.1.167 72 | 1.1.168 16 | 1.1.169 - | 1.1.170 88 |
| • Other institutions and housing services | 1.1.171 67 | 1.1.172 70 | 1.1.173 - | 1.1.174 137 |

Appendix 2. Private social service providers by activity in 2010 (continues)

| | | | | |
|--|--------------------|---------------------|-------------------|----------------------|
| 1.1.175 Residential care activities | 1.1.176 809 | 1.1.177 1660 | 1.1.178 1 | 1.1.179 2 470 |
| 1.1.180 Social work activities without accommodation for the elderly and disabled | 1.1.181 | 1.1.183 | 1.1.185 | 1.1.187 |
| | 1.1.182 164 | 1.1.184 640 | 1.1.186 1 | 1.1.188 805 |
| • Home help services for the elderly and disabled | 1.1.189 85 | 1.1.190 609 | 1.1.191 - | 1.1.192 694 |
| • Day activity services for the elderly | 1.1.193 18 | 1.1.194 6 | 1.1.195 - | 1.1.196 24 |
| • Day activity and sheltered work services for the disabled | 1.1.197 47 | 1.1.198 15 | 1.1.199 1 | 1.1.200 63 |
| • Other services without accommodation for the elderly and disabled | 1.1.201 | 1.1.203 | 1.1.205 | 1.1.207 |
| | 1.1.202 14 | 1.1.204 10 | 1.1.206 - | 1.1.208 24 |
| 1.1.209 Child daycare | 1.1.210 352 | 1.1.211 346 | 1.1.212 12 | 1.1.213 710 |
| • Child daycare in homes | 1.1.214 302 | 1.1.215 313 | 1.1.216 - | 1.1.217 615 |
| • Other forms of child daycare | 1.1.218 50 | 1.1.219 33 | 1.1.220 12 | 1.1.221 95 |
| 1.1.222 Other social work activities without accommodation n.e.c. | 1.1.223 184 | 1.1.224 178 | 1.1.225 3 | 1.1.226 365 |
| • Home help services for others than the elderly and disabled | 1.1.227 | 1.1.229 | 1.1.231 | 1.1.233 |
| | 1.1.228 14 | 1.1.230 49 | 1.1.232 - | 1.1.234 63 |
| • Day activity and sheltered work services for others than the elderly | 1.1.235 | 1.1.237 | 1.1.239 | 1.1.241 71 |
| | 1.1.236 63 | 1.1.238 8 | 1.1.240 - | |

| | | | | |
|--|-----------------------|-----------------------|-------------------|-----------------------|
| and disabled | | | | |
| • Outpatient rehabilitation for intoxicant abusers | 1.1.242 40 | 1.1.243 5 | 1.1.244 - | 1.1.245 45 |
| • Uncategorized social services, outpatient services | 1.1.246 67 | 1.1.247 116 | 1.1.248 3 | 1.1.249 186 |
| 1.1.250 Other social work activities without accommodation n.e.c. | 1.1.251 700 | 1.1.252 1164 | 1.1.253 16 | 1.1.254 1880 |
| 1.1.255 Total | 1.1.256 1507 | 1.1.257 2824 | 1.1.258 17 | 1.1.259 4 350 |
| 1.1.260 Personnel in the social services | 1.1.261 19 289 | 1.1.265 22 299 | 1.1.269 99 | 1.1.273 41 687 |
| • Full-time | 1.1.262 15 822 | 1.1.266 18 190 | 1.1.270 68 | 1.1.274 34 080 |
| • Part-time | 1.1.263 2 376 | 1.1.267 3 766 | 1.1.271 29 | 1.1.275 6 171 |
| • Employed | 1.1.264 1 091 | 1.1.268 343 | 1.1.272 2 | 1.1.276 1 436 |

Resource: National Institute for Health and Welfare, Official Statistic of Finland, Private social service 2010

Appendix 3. Labor legislation

| Essential content of the Act | |
|---|--|
| Employment Contracts Act (55/2001) | <p>The Employment Contracts Act applies to contractual relations, in which the employee agrees to work under the employer's management and supervision in return for a salary or compensation. The law applies regardless of the quality of work and the form of employment and agreement. An employment contract is valid indefinitely unless it has, for a justified reason, been made for a specific fixed term.</p> <ul style="list-style-type: none"> • The employer must treat employees equally unless there is an acceptable reason to do otherwise. • When making an employment contract, the employer must provide the employee with an account of the principal terms of employment (the date of commencement of the employment, the duration of a fixed-term employment contract and the justification for specifying a fixed term, the employees' main tasks, the collective agreement applicable to the work, the grounds for the determination of pay and the pay period, the regular working hours, the manner of determining annual holiday, the period of notice). • The employer shall observe at least the provisions of the generally applicable collective agreement on the terms and working conditions of the employment relationship. Any term of an employment agreement that is in conflict with the generally applicable collective agreement is void, and the equivalent provision in the generally applicable collective agreement shall be observed instead. • The employer must ensure employees' safety at work. Also the employees have the responsibility to ensure both their own and other employees' safety. |
| Working Hours Act (605/1996) | <p>According to the Working Hours Act, the time spent at work and the time the employee is required to be present at the place of work at the employer's disposal are considered working hours.</p> <ul style="list-style-type: none"> • Regular working hours shall not exceed 8 hours a day or 40 hours a week. The regular weekly working hours can also be arranged in such a way that the average is 40 hours over a period of no more than 52 weeks. Intermittent working hours are no more than 120 hours / three weeks or no more than 80 hours / two weeks or no more than 240 hours / during two successive three-week periods or three consecutive two-week periods. However, intermittent working hours shall not exceed |

128 hours during either of the three-week periods or 88 hours during any of the two-week periods. Working hours may include working at night or on Saturdays and Sundays, if it is justified considering the nature of the work.

-

Appendix 3. Labor legislation(continues)

| Essential content of the Act | |
|---------------------------------------|--|
| Working Hours Act (605/1996) | <ul style="list-style-type: none"> • An employer and an employee can agree that the employee is available to be called in to work when necessary. If stand-by is necessary due to the nature of the work, the employee cannot refuse to do it. Stand-by time must not excessively disrupt the employee's free time and the employee is entitled to obtain at least 50% compensation either in wages or free time. • Overtime refers to work carried out in addition to the regular working hours. The maximum amount of overtime during a four-month period is 138 hours, though 250 hours must not be exceeded during a calendar year. The payment for additional work exceeding the daily, weekly or intermittent working hours shall be the regular wage plus 50-100 per cent. Wages payable for overtime can be either partly or completely converted into corresponding free time. • If the daily working hours exceed six hours the employee must be granted a rest period of at least half an hour, during which the employee is free to leave the workplace. The uninterrupted rest period for 24 hours is at least 11 hours and 9 hours in case of intermittent work. The employee must have at least 35 hours of uninterrupted free time each week, preferably around a Sunday. |
| Annual Holidays Act (162/2005) | <p>Unless otherwise determined by the collective agreement of the sector, the Annual Holidays Act applies to all employees in an employment relationship or civil service relationship. The Act applies to employment relationships both in the private and the public sector.</p> <ul style="list-style-type: none"> • The holiday credit year means the period from 1 April to 31 March. An employee is entitled to two and a half weekdays of holiday for each full holiday credit month. However, the entitlement is two weekdays of holiday for each full holiday credit month if, by the end of the holiday credit year, the duration of the employment relationship has been less than one year. • An employee has the right to receive at least his/her regular or average pay for the time of his/her annual holiday. In addition, an employee is entitled to holiday compensation. If the employment relationship has lasted less than a year by the end of the holiday credit year, the |

employee is entitled to holiday compensation of 0.9 per cent of the wages paid during the holiday credit year, and 11.5 per cent if the employment relationship has lasted for at least one year

Appendix 3. Labor legislation (continues)

| | Essential content of the Act |
|---|---|
| <p>Act on Employer and Employee Cooperation in Municipalities (449/2007) & Act on Cooperation within Undertakings (334/2007)</p> | <p>The aims of the Acts on Cooperation is to promote the understanding between the parties of the workplace and the interactive activities between the personnel of a company as well as to increase the possibilities of employees to influence the decision-making relating to their work and to take part in improving work conditions.</p> <ul style="list-style-type: none"> • The representatives of the personnel in cooperation can be a shop steward, a work safety representative or other representative appointed by the personnel. • Cooperation deals with changes in the organization of work and arrangement of services that significantly affect the position of the personnel. • Representatives of the personnel have the right to receive information about the financial situation of the company, wages, employment relationships and the principles for use of external labor. In addition, the cooperation negotiation must deal with the principles and practices applied in recruitment, plans regarding personnel and training objectives considering the composition, number and development estimations of the personnel. Cooperation negotiation should also deal with the principles for the use of different contractual forms, assessment of employees' professional skills and changes in skill requirements. • If an employer is considering to serve a notice of termination or a lay-off for over 90 days or the employer plans to reduce a contract of employment into a part-time contract for over ten employees, s/he is to provide the representatives of the personnel with the information regarding the reasons for the intended measures as well as an estimation of the number of personnel affected, the principles used to determine which personnel is affected and the timetable before starting the cooperation negotiations. • An issue regarding an individual employee shall be dealt with between him/her and the employer. |

Appendix 4. Collective agreements of the social services sector.

| | Municipal general collective agreement | Collective agreement of the private social services sector |
|----------------|---|---|
| Salary | Minimum salary 1,502.62 €/month. Salary system is based on task-specific salary, personal increment, experience-based increment and performance-related pay. In addition, an employee may be paid single rewards or other rewards, increments and compensations specifically mentioned in the collective agreement. | Basic salary is 1,574.99 – 3,999.65 €/month depending on the salary group. Salary group is based on the training required by the job and the demands of the job. Experience-based increments increase the basic salary by taking into account the working years. Salary is also affected by the compensations paid for overtime, Saturdays, Sundays, evening and night work and emergencies. In October 2011 the average earnings of the sector were 2,428 €/month. |
| Part-time work | Part-time employees' salary is based on the amount of working hours in relation to the total working time. | Part-time employees' salary is based on the amount of working hours in relation to the total working time. |
| Trainees etc. | Trainees are paid the minimum salary when the employment relationship has lasted 3 months. | Trainees are paid at least 90% of the guideline salary of the task. An agreement can be made with a summer worker under the age of 25 regarding a summer job salary that is at least 75% of the guideline salary of the task. |

Appendix 4. Collective agreements of the social services sector(continues).

| | | |
|--|---|--|
| <p>Working hours</p> <p>Shift working hours</p> <p>Overtime</p> | <p>Regular working time cannot exceed 9 hours/day and 38 ¼ hours/ week, office working time cannot exceed 9 hours/day and 36 ¼ hours/week. Regular working time is 37 hours in tasks specifically mentioned in the collective agreement.</p> <p>Shift working time is applied in tasks specifically mentioned in the collective agreement where the employer has the need for night-time work or work shifts that last over 9 hours. In three-week working periods the working time cannot exceed 114 ¾ hours and in six-week periods 229 ½ hours. Daily or weekly working time is not determined.</p> <p>Overtime means work that exceeds both the regular working time and the overtime limits.</p> | <p>Regular working time is 8 hours / day and 38 1/3 hours/week. Daily working time can be prolonged with one hour, if agreed on beforehand. This requires that the time adjusts during the balancing period with the maximum weekly working time.</p> <p>In shift work the working time is determined in 3-6 weeks cycles. Working time in 3-shift work cannot exceed 10 hours a day, in night shifts 12 hours a day and 38 1/3 a week. Weekly working time can also be determined so that during the 3-6 weeks balancing period the working time is on average as mentioned before. Working time cannot exceed 48 hours during any week of the balancing period, and when applying the six-week balancing period the working time cannot exceed 126 hours/3 weeks.</p> <p>Overtime means work that exceeds both the regular working time and the overtime limits. Overtime salary is the hourly wages increased by 50-100%.</p> |
| <p>Annual holiday</p> | <p>2-3 days/ full holiday credit month depending on work experience + possible extra vacation days. 5 weekdays are taken into account when calculating used vacation days.</p> | <p>2-3 days/full holiday credit month depending on work experience entitling for service compliments. 6 weekdays are taken into account when calculating used vacation days.</p> |

National Report France



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The Social Services sector: a sector with unclear boundaries but specific values

The social sector: a difficult boundary to set

The social sector is a very difficult boundary to set as it is subject to different levels of definition and different types of terminology.

The French National Institute for Statistics and Economic Studies (INSEE), for example, which is the organisation which provides the most processed data regarding employment in France, has a distinct category for 'social action' which is separate from 'health' and 'education'.

For INSEE, social action also gives way to different social or medico-social organisations subcategories (disabled persons organisations), associations concerned with the family (social centres, help for the family at home, childcare), the elderly (retirement homes, lodgings, and domestic aid), children or teenagers (specialist prevention, youth work organisations). It is therefore a far vaster entity than can be dealt with simply by branches.

In scientific or professional reading, we also often find the 'social, medico-social and sanitary sector' which is also much vaster in what it encompasses than those organisations which are strictly concerned with sanitation.

1.1. The social sector according to its values: The SSE, a specific economic sector

The first step in identifying the 'social' in France is that which we call the social economy (SSE) which has been recognised by French law since 1981.

What is social economy?

Social economy refers to a procedure which places human beings – and not for profit – at the centre of the economy. In the legal plan, SSE organisations are those personal and non-capital organisations resulting from the social economy: associations, mutual societies, cooperatives and cooperative and participative organisations (SCOP), Cooperative and Collective interest organisations (SCIC) and foundations.

Principles and values of the SSE

The organisations belonging to the social economy respect the following principles:

Freedom of membership, limited profitability (meaning a non-profit individual -this principle does not prohibit the establishment of financial surpluses – cooperatives, mutual organisations, and certain associations have large surpluses – but does forbid individual profit), independence regarding Public authorities (resources may be private or mixed), the collective or social use of the project the democratic handling according to the principle “one person, one voice”.

These principles relate to the values which distinguish the social and united economy from the conventional market economy, as seen above.

The SSE, a fast growing economy

Even though there are no official statistics to speak of, the key organisations of this sector are in holding with the figures from the National Observatory of the Social Economy which estimates 2.3 million (1.9 full time equivalents) as the number of employees in the SSE (ONESS, 2010). Of which about 10% relates to paid employment in France.

With more than 100,000 jobs created every year, the SSE is responsible for the creation of about 1 new job out of 5.

The social in the social sector

According to the National Observatory of the Social Economy (ONESS), 6 employees out of 10 are in the social action sectors (according to INSEE terminology).

According to USGERES, 65% of jobs within the social sector belong to the social economy. If the social action and human health jobs are combined, the sanitation and social sectors comprise around 28% of employees of the social economy.

Social branches within the SSE

The level of analysis of the social economy is the vastest level as it is both inter-professional and consisting of various sectors³².

The social economy can be divided into thirteen branches: **The health and social associate branch (BASS)**, **The domestic aid branch (BAD)**, **The branch of key social and familial links**, The coordination branch, The accommodation, social residence and youth service branch, The social housing branch, The local institutions and professional advice service branch, The district government branch, The branches to which the cooperative production organisations and cooperative banking belong, The mutual insurance systems branch, The broadcasting section, The sport section, The local tourism and family branch

We will study the first three branches in this study, as far as they relate more directly and strictly to the three sectors identified by the PESSIS project: persons with disabilities, the elderly and small children.

³² A professional branch reclassifies the organisations into the same activity sector and is determined by one agreement or a collective convention. A branch is therefore represented by one or several trade unions and employees' unions negotiating deals and collective conventions.

The SSE, the private and public sectors

Within the social sector, it is without doubt the non-profit private sector which concerns the majority of jobs.

In addition to the social economy, the public and private commercial sectors are just as involved in the sector which we are focusing on.

The public sector is responsible for a large part of the medical and medico-social sectors and is particularly engaged in the service and care of children and the elderly.

The private commercial sector remains a very minor sector, but it has begun to develop in recent years since the individual services 'boom'.

The social services sector: an expanding and transforming sector

Facts and figures

The social and health associate branch (BASS)

Branch authorities:

- The joint committee

Created in 1996 by social partners, it is made up of Unified representatives regrouping the 5 employers organisations (French Red-Cross, Fehap, FFCLCC, FEGAPEI, Syneas) and the 5 employees representative organisations (CFDT, CFE/GCG, CFTC, CGT, CGT-FO).

It is where branch decisions are negotiated and made, in the areas of training, employment, working conditions and equal representation, areas whereby branch decisions which are likely to be received by the Ministry are signed.

- The national employment equal representation committee (CPNE)

Established in 1993, the CPNE is responsible mainly for foresight analysis of employment and for training within the branch.

Within this role, it follows career and employment evolution within the sector and produces an annual report about it. It is also responsible for

following the concluded deals within the branch concerning professional training. The CPNE is made up of 20 members, 10 Unifed representatives and 10 employee organisations representatives.

- The prospective careers and qualifications observatory

Created in 2005, the branch observatory is an equal representation structure, directed by the CPNE to produce information and analysis to anticipate and accompany evolution within the branch in terms of employment and qualifications.

- Unifaf

It is the equal representation organisation agreed by the state for the collection and management of ongoing professional training funds for organisations belonging to the health, medico-social and social private non-profit branches. Established in 2005, Unifaf followed on from Promofaf which was formed in 1972.

Created in 1993, the social and health associate branch is also known as the welfare, social and medico-social private non-profit branch. It is estimated that the branch has around **700,000** employees.

Five jobs are predominant and are most iconic of the branch: caregivers, nurses, specialist teachers, medico-psychological carers and education monitors.

If the UNIFAF activity report is to be believed, the branch covers between 42% and 46% of all jobs in this sector.

Domestic aid branch (BAD)

Branch authorities:

Formed in 1993 in a professional union federation. It is made up of 4 employer federations, ADESSA A DOMICILE, ADMR, FNAAFP/CSF, UNA regrouped within the **USB Domicile** (trade union of the domestic aid branch) and 6 trade union organisations (CFDT, CFE-CGC, CFTC, CGT, FO, UNSA SNAPAD).

As of December 2004, **Uniformalion** was chosen as the OPCA of the domestic aid branch.

From 2007, the National Equal representation Employment and Professional Training Committee (**CPNEFP**) has put into place a prospective careers and qualifications **observatory** implementing the branch's three-year goals and subdividing them annually.

What's more, the branch's activity can also be subdivided on a regional level across the **CPREFPs** (Regional Equal representation Employment and professional training committees) whose role is to relay the branch's interests to regional institutions.

The domestic aid branch classifies three active domains: healthcare at home, social aid within social family politics of public authorities and individual services.

The professional branch is made up of **220,000** employees according to the Domestic Aid Branch Observatory (2009 figures) over 5,000 structures (generally associations).

In contrast to the Social and Health Associate Branch, certain structures within the Domestic Aid Branch belong to the private non-profit sector (the majority being associations) while others belong to the public sector (local authorities, social action communal centres).

The majority of action as "provider"

The branch associations' action is managed first and foremost under the "provider" category (76% of hours carried out).

The social and familial link branch

Structure of the branch

The Joint National Negotiations Committee is made up in equal measure of negotiators appointed by the SNAECSO* Administration Board and representatives of the five workers' unions belonging to the National Collective Labour Agreement: CFDT, CFTC, CFE-CGC, CGT and FO.

A Joint National Employment and Training Committee

Housing-training is the branch's designated OPCA.*

The branch groups together social and socio-cultural centres, local social development associations and care associations for young children. It is therefore concerned with educational and social operations. Within the framework of this study, the third field of care is of particular interest – care associations for young children (less than 6 years of age), which were incorporated into the branch in 2007. These counselling centres for young children represent 2/3 of the branch's structures, comprising around 2600 structures (the professional branch consists of around 4000 structures.)³³. Altogether the branch consists of 60,000 employees of which the vast majority works with small children.

Public, non-profit and private commercial sectors summary

The public sector: regional management

According to the DGSA (DGAS, 2009) report those jobs under public statute represent one third of employees in social work (excluding child-minders). The three public functions concerned are: regional, hygiene and the state³⁴.

The public sector is very involved in the elderly persons sector and the young child care structures in particular.

The lucrative private sector: the soar in individual services

"That which is known as 'services to the individual' is a category recently created by the 2005 government plan called plan Borloo³⁵.

Within this category, "mixed activities which are all effected in the home of the individual but which have completely different objectives are artificially classified," (Devetter, 2008). Services to the individual can range from cleaning and gardening to technological aid.

³³ However, it must be taken into account that certain social centres are also concerned with early childhood and offer an 'early childhood' service.

³⁴ The bodies responsible for training (as well as regions and employers concerning jobseekers) are: the national Centre of public regional function for civil service, the national association for lifelong training for hospital staff for public hospitals, with each employment department serving the civil state.

³⁵ Law of 25th July 2005.

The sector for services to the individual encompasses: the domestic aid branch (which is included in this study) commercial organisations for services to the individual; and the staff at home directly employed by the individual³⁶ (which is not included in this study).

The two main employers' federations³⁷ are the FESP (Federation of organisations for services to the individual, partner of MEDEF) and the FEDESAP (French federation of services to the individual and of proximity, partner of the CGPME). The main OPCA is OPCALIA.

Formerly managed by different departments, the sector for services to the individual has been managed by a single representative since 2005: the National Services to the Individual Agency.

60% of jobs within the domain of social action belong to the social economy (30% to the public sector and 7% to the commercial private sector). In contrast, the social economy only constitutes 13% of jobs in healthcare (80% belonging to the private sector and 7% to the commercial private sector).

In comparison, the handicapped persons sector is almost 90% managed by the associative sector.

The lucrative private sector remains a minor factor in the social sector but it is on the increase, particularly where services for the elderly are concerned.

Summary of the elderly persons, small children and handicap persons domains

Sector for the elderly

The individual employer has strongly developed with regards to services for the elderly. For other forms of employers, we have seen that it consists of (non-profit private) public sector associations (in the small children, handicap and elderly persons domain in particular), and of commercial organisations. The activity of commercial organisations

³⁶ Those indirect employment constitute the most significant part of homecare workers (DGAS, 2009).

³⁷ If you don't take individual employers represented by the National Federation for Individual Employers) into account outside the framework of this study.

remains very minor within the sector (11% of hours) (Aldeghi & Loones, 2010). Domestic aid is much more advanced than the housing sector.

Persons with disabilities sector

The handicap sector is the most easily identified as it is almost entirely run by the associative sector relevant to the social and health associate branch. It consists of around 250,000 employees.

It is the top sector in the social and health associate branch in terms of employment. It sees strong growth and consistent increase in its number of establishments.

The majority of these establishments are those for children and adolescents.

Small child sector

The establishments providing care for small children (0 to 6 years) may be managed by the public, non-profit private or commercial private sector.

Under public statute, there are crèches run by regional bodies (communities) as well as public crèches (hospital or public administration crèches). Under non-profit private statute, we find associative structures (parental crèches, for example), company crèches and those of the collective interest cooperative society, and finally, those establishments under the lucrative private sector. Over half of these establishments are under public regional management, 37% under associative management. Small child establishments are principally managed by local authorities.³⁸

³⁸ In 2009, 68% of creches are managed by regional bodies (60% by local authorities and 8% by departments), 23% by associations, 9% by other bodies such as family benefit agencies, private lucrative bodies, mutual insurance companies and corporate committees. Regarding nurseries, 59% are managed by local authorities, 32% by associations, 4% by social security authorities, and 5% by other bodies. Finally, 57% of multi-service establishments belong to local authorities, 35% to associations and 8% to other bodies. Parental structures adopt, in their approximate totality, an associative method of management (DREES, 2011).

1.2. Summary of the sector's general features

1.2.1. A growing sector facing recruitment difficulties

A highly job-creating sector in reconfiguration

In general terms, it is a sector undergoing much growth: for example, in the social and health associative branch, from 2000 to 2007, the number of staff increased by more than 50%.

Recruitment difficulties

It is estimated that 2 out of 5 establishments belonging to the social and health associate branch still face recruitment difficulties, which is linked to the low level of appeal of certain sectors, but also to the requirement levels in terms of qualification (for medical, paramedical and fields of care in particular).

A sector dominated by volunteering and small organisations

The number of establishments with less than 50 employees is becoming increasingly significant. In contrast, staff is concentrated in bodies with less than 200 people.³⁹

It is important to note that domestic aid may be carried out by highly specialised associations but also very versatile organisations. ¼ of organisations offer care at home (SSIAD and/or CSI).

A job which is often part time despite being of an indeterminate contract

In the small child domain, 68% of employees are in an indeterminate contract, 88% of employees for the associate health and social branch. The amount of part-time employees remains significant.

Whatever it may be, "these precarious working times lead to extremely low salaries, 840 euros per month in 2008 for the average salary of a carer of vulnerable people" (Marquier, 2010).

³⁹ 40% of employees in the associate health and social branch are within organisations of less than 50 people and 1/3 are in organisations of more than 100 people. For the domestic aid branch, the majority of employees (70%) work in large organisations (of more than 200 employees) but more than 66% of organisations are small structures (of less than 50 employees). The small child sector is also very much focused on small structures: 39% of the child and youth branch are structures of less than 10 employees, 56% are structures with between 10 and 20 employees and only 5% are structures with 20 or more employees.

A very feminine occupation

74% of jobs in the associate health and social branch are occupied by women (the French average is 44%). For all that, few women are supervisors and even fewer are managers (40% in the associate health and social branch).

The strong need for qualification

The quality requirements are more and more prominent. In the small child sector, for example, organisations will have to face a shortage of professionals and will have to train their employees in order to comply with regulations (CPNEF, 2010). But this is also true of domestic aid for the elderly.

Significant financing difficulties, with domestic aid in particular

If the sector is growing overall, in particular due to the evolution of needs, it clashes with public financing difficulties. This is particularly true of the domestic aid branch. The financing difficulties are linked to the fact that the activities of the branch are largely dependent on the benefit system and public aid⁴⁰.

Some financing bodies (The Social Security Fund, Family Benefits, Retirement, Mutual Insurance...) are drawn into this contradiction of wanting to respond to growing needs without having the resources which evolve at the same pace as these needs.

⁴⁰ The Personal Autonomy Allowance managed by the General Councils, aid managed by social security agencies and finances deposited for care by the Health Affairs Management Department.

Structure of representation

Unions and employers' groups

The non-profit private sector

Entering into the field of study:

- 1 employers association : The Social Economy Employers Association which has represented, significantly since 2002, the Social Economy sector and which directs the employers unions which are of interest for this study (UNIFED and USGERES)
- 2 employers' federation unions representing the two branches: UNIFED (Federations Union classifying different employers organisations of the health, medico-social and non-profit private social sector) and **USGERES** (Trade union and classification of representative employees within the social economy)
- 4 unions representing the domestic aid branch
- 5 unions representing the associate health and social branch (of which one classifies employers working in the handicapped field)
- 1 union representing the social centres and small child services branch which is of partial interest to this study

Organisations of mixed or varied activities must also be added, such as the French Mutuality which includes care and companionship organisations and services.

UNIFED coordinates the activities of 5 professional employers organisations belonging to the branch. Among these 5 organisations, three come into the field of study (FEHAP, FEGAPEI, SYNEAS).

Other SSE authorities:

- **CEGES** (Business Employers Council and Social Economy Groups) promoter of social economy.
- **APFEES** (Training association for Social Economy employers), responsible for training union members.

- **CRESS**, Regional Chambers of the Social Economy, federal organisations for the promotion of the regional social economy.

The commercial private sector

UNISSS is the inter-union association of the health and social sectors and it classifies the SISMES (service establishments responsible for services, care and supervision of children, adolescents and handicapped adults) and the SNAMIS (health and social structures of diverse nature). The FESP is the federation of services to individuals and represents the services to the individual commercial sector.

The FEDESAP is the French Federation of Proximity and Services to the individual and represents the same sector for the TPE and PME.

Union of employees

The CFDT (French Democratic Labour Confederation)

The Social health CDFT federation is the foremost CFDT federation, covering all the health, social and medico-social sectors, with the exception of those establishments concerning social security, mutuality or local authorities. The federation is organised into four branches: health associative, social associative, Lucrative and liberal, and Public. It is part of the International Public Services and its European organisation, the European Trade Union Federation of Public Services.

The CGT (General Labour Confederation)

Two federations come into the field of our study, the National Federation of Staff of Social Organisations and the National Federation of Health and Social Action.

FO (Worker's Force)

The National federation for Social Action – Workers' Force (FNAS F-O) belongs to the General Labour Federation – Workers' Force (CGT F-O). The FO National Federation for Social Action merges 103 social action unions, of which group together those union sections belong to the Workers Force in each department, made up of the employees of non-profit associations (1901 law), service managers and social and medico-social institutions.

The French health and Social Action Federation CFE-CGC

The CFE-CGC, founded in 1944, is the first French executive union which defends the interests of the company as well as the interests of society. It has between 130 and 140,000 (2002) professional members, both male and female.

The CFE-CGC is particularly embedded in the trade and services engineering and industry. The

CFE-CGC social health, the SNC3S, is the National Executive Union of the Health and Social sector which represents the sector more specifically (health, social and medico-social, public, non-profit private or commercial private). Created in 1951, it consists mainly of directors, deputy directors, department heads, administrative staff and management, psychologists and caregivers.

1.2.2. Trade Union Representation reform

In 2013, the new regulations concerning union representation will take effect⁴¹. According to these new criteria, the trade representatives will be authorised having achieved over 10% of the vote. This means that, in the short term, some unions are in danger of being excluded from the trade union domain, which explains certain stances or objections.

1.3. Public authorities

DGCS: the General Directorate of Social Cohesion is the central administrative management of the social ministries which is in charge of creating, running and assessing public solidarity policies, of social development and of the promotion of equality which favours social cohesion. It ensures the coherence of national and regional policies.

CESR: the Social and Economic District Council is an advisory body made up of 4 college representatives: businesses and unpaid activities,

⁴¹ The audience measurement election is made on the basis of professional elections that take place every four years from 1 January 2009. The representation threshold is set at 10% of votes in companies, and at 8% at branch level.

workers union organisations, bodies and associations involved in district community life, and those involved in development of the district.

ARS and CRSA: regional Health Agencies, pillars of the 21st July 2009 hospital reform (said HPST law, “Hospital, patients, health and districts”), ensuring the running of the region’s healthcare sector. The regional health and autonomy conference (CRSA) is a strategic authority of the ARS. It contributes to the implementation of regional health policies by providing advice on their development, monitoring and evaluation. It is made up of regional communities, users and associations, health professionals, management bodies of health and medico-social institutions and services, social protection organisations and workers and employers representative organisations⁴².

Social dialogue within the sector

A social dialogue dynamic strongly outlined and influenced by public authorities

An important point regarding social dialogue within the social sector in France is the major influence of public authorities. In terms of both regulation and funding, as there was funding of the proposal and funding of the request – in a cost-reduction context – which did not fail to impact the branch policies and to incite, as we will see, re-examination of collective conventions.

But the state action was focused very directly on the structuring of the sector, by the legislative reform of 2002 and the creation of APA and by the introduction of a new branch, the services to the individual branch.

⁴² Social and solid economy employers representatives who are not members of the CRSA, including only Medef, CGPEM and UPA.

The law of 2nd January 2002 renovating social and medico-social action

This law widened the social and medico-social application field (by diversifying the terminology of institutions and services) and recognises the domestic services provided to the elderly and handicapped people as well as temporary services. It rests on three key axels: user rights, regulation of public orders (particularly social planning on a departmental level and evaluation procedures), putting it into competition for which the sector is little prepared. The law gives the department a central role in social and medico-social implementation and guidance (Morange, 2004).

Implementation of Personal Autonomy Allowance in 2002

Personal Autonomy Allowance is aid given out by the General Councils dealing with funding linked to dependency. At the time of 31st December 2009, 1,136,000 people were benefiting from Personal Autonomy Allowance in metropolitan France.

The development and promotion of services to the individual

It is the Borloo law of 26th July 2005 regarding the development of individual services and carrying various measures which favour social cohesion. With the aim of accelerating the growth of the services to the individual sector, the plan implements measures which encourage the commercial private sector and the individual employer. Because, as Lefebvre and Farvaque show, it is the domestic criteria, like the work place, which presided over the creation of a sector for services to the individual by the public authorities (whereas from the point of view of those carrying out the services, this could also have been based on professional activity, the target audience or the employer's status).

A certain number of employers have defended their involvement in the social economy and have maintained their unique characteristics at the hands of the commercial sector. Employers and workers federations are in agreement with each other, in the associative sphere, that the

professional activity criteria, “the services which help vulnerable persons and comfort services are completely different, and this negates their specific characteristics rather than classifying them.” (Lefebvre & Farvaque, 2011).

A collective convention of organisations providing services to the individual (the lucrative sector only, however) was signed in January 2012 but immediately deemed inapplicable by a majority opposition of workers unions.

Some people defend the idea of the sector being defined in terms of its audience and not in terms of its activity⁴³.

The problem of representation of social economy employers

The approval procedure

The agreements and collective conventions must be approved by the responsible minister following the approval of the national committee, which is made up of the elected locals. This is a specific characteristic of the sector (with the enforceability of pricing authorities) which makes the social dialogue a longer process and thus subjects it to three parties rather than two. This approval procedure is currently under discussion, the Syneas having recently launched an assessment of the procedure⁴⁴.

Managerial representation

As we have previously mentioned, at the moment the representation of management organisations belonging to the social economy is recognised within the professional branches but it does not feature in the national social dialogue plan⁴⁵.

Moreover, there is a National Collective Negotiations Committee made up of ministers responsible for employment, agriculture and the economy, and of national union representatives. This committee is,

⁴³ “We therefore think that it is not the nature of the activities which should define the new medico-social aid sector but rather the difficulties faced in daily life. That is the only issue for abandoning the amalgamation of services to the individual.” (Dussuet, Weber, Doniol-Shaw, & Henrard, 2012)

⁴⁴ http://syneas.fr/actu_page_6.html

⁴⁵ Where only the Business Movement in France, the General Confederation for Small and Medium Businesses and the Professional Artisan Union are recognised.

among others, responsible for the evaluation of the laws governing collective conventions as well as for giving an opinion on extension orders or the enlargement of collective conventions. Not recognised as managerial organisations, the social and solid economy employers organisations are not part of the CNNNC. It is the same for the Superior Professional Council and for the National Agency for the Improvement of Working Conditions.

It is in view of this recognition that USGERES was established in 1994.

It is also this logic which gave way to various assembly dynamics:

- Creation of the Social Economy Employers' Association
- Creation of the Business, Employers and Social Economy Groups Council, of which the academy employers are responsible for representing social and solid economy employers in dialogue with public authorities and social partners. In 2010, the Superior Council for the Social and Solid Economy assembled to unite the SSE representatives, elected representatives and public administration representatives. It consisted of a commission for Europe, the reinforcement of the European dimension being one of its objectives.
- First inter-professional national agreement of the social economy on 22nd September 2006 (National Inter-professional Agreement regarding life-long professional training).

Adapting social dialogue

The issue of recognition of the social and solid economy also concerns working to adapt modes of dialogue to the issues within the sector. As USGERES claims, "enterprises of the social economy possess some features which this dialogue must take into account:

- reference to shared values
- the coexistence of different populations (employees, volunteers, elected members...)
- the increased proportion of part time employees

- often complex funding methods which limit the margins for manoeuvre
- the difficulty often experienced in allocating time for dialogue

(Source : USGERES pamphlet on social dialogue).

USGERES' action will be in terms of reflection upon the social dialogue within the social and solid economy. However, since 2001 it has implemented a 'social dialogue group across the social economy' with 4 of the 5 workers union confederations (CFDT, CFE-CGC, CGT and CGT-FO). In 2010, this social dialogue group (GDS) gave axis to the following work:

- "European social dialogue: for the Social Dialogue Group, this involves identifying specific ways of contributing to the presence of French social partner organisations of the social economy within inter-sectorial or sectorial (categorical) European social dialogue, facilitating exchanges between the Social Dialogue Group and European figures and to inform and make the European Commission more aware, in order to give value to the works carried out within the transversal Social Dialogue Group of the French social economy.
- Promotion of active inclusion of active persons away from employment(...)"⁴⁶

Within the framework of the transversal social economy Social Dialogue Group's mission statement, a negotiation took place in September 2011 concerning the study and implementation of a groundbreaking professional integration and youth employment plan. The negotiation went on from September 2011 to February 2012 and resulted in a joint declaration which set a certain number of points to be incorporated into professional branches.

In the same mission statement, a plan to develop inter-branch social dialogue, within professional sectors and branches, and those

⁴⁶ Source: USGERES website,
http://www.usgeres.fr/nosactions/DialogueSocial1_1/Groupe.php

enterprises within the social economy will implement them. An evaluation of the actual social dialogue situation is currently underway.⁴⁷

Actions and good practices

A social dialogue which promotes recognition of the SSE

The example of the first national inter-professional agreement of 22nd September 2006 concerning lifelong professional training is an example of good practice: the joint appeal to the State Council was worthwhile as the latter supported the employers of the social economy in 2009.

A social dialogue closer to local realities

“A good negotiation is one which sticks a bit closer to home.” (Mrs A., employers federation representative). Thus for example, the collective agreement concerning the Job and Skills Plan was negotiated at the level of establishments and represents the local, very prospective, reality. This same representative refers also to the obligatory employment of handicapped persons agreement, passed in 1991 and since revised⁴⁸. This is good practice insofar as dealing with the things we know best, realities. It is this kind of practice which achieved the social territorial dialogue charter in the SSE signed on 24th November 2011.

The social territorial SSE dialogue charter

The objective of this charter is to implement a real, performing, social dialogue district policy which permits the development and upkeep of quality employment and provision of services within the districts. The local social dialogue must connect with national social dialogue, be it inter-professionally or on a branch level. It cannot, in any case, replace social dialogue developed in these areas⁴⁹.

⁴⁷ Source: “Social economy” document, CFDT- social health.

⁴⁸ Agreement signed by the FEHAP, French Red Cross and Syneas, and the following Union organisations: CFDT, CFTC, CFE-CGC, CGT et FO. It was approved in 1991 by the Labour Minister.

⁴⁹ CRESS Rhone-Alps press release, 16/01/12.

Local collaborations within the social economy are highlighted as a major issue: “if strong and undeniable action favouring the social economy is to be carried out, it must be organised at a national level as well as at a regional level. This is a real lever, but can only be achieved by all coming together to discuss it, something which is not always evident” (Mrs. M., employers federation representative).

Collective national conventions : state of affairs

Within the health and social associate branch (BASS)

The health and social associate branch includes those sectors and organisations of the five branch conventions outside the limit which we have conformed to, two of which are of interest here.

According to Mrs. N., Workers Union representative, the health and social associate branch “was created not only on the basis of political will of employers but also because the lifelong training law indicated having a branch agreement.” This explains, according to her, the relative weakness of the branch.

The National digital council of private non-profit hospital, care and treatment institutions, 31st October 1951

| Employers Union signatory(s) | Workers union signatory(s) | Field of application |
|------------------------------|---------------------------------|---|
| FEHAP | CGT, CFTC, FO, CGC Then CFDT | Private non-profit health, social and medico-social institutions, and services central to organisations running these institutions. |

National collective conventions of staff employed in establishments and services for maladjusted and handicapped persons, 15th March 1966

| Employers Union signatory(s) | Workers union signatory(s) | Scope |
|--|---------------------------------------|--|
| SNASEA SOP (now classified as one under SYNEAS) | CFTC, FO, Then CGT, CFDT et CGC | Private non-profit bodies running establishments for protected, handicapped or maladjusted children but also for handicapped adults, as well as professional education and |

| | | |
|---------|--|---|
| FEGAPEI | | training institutions belonging to the social and medico-social sector. |
|---------|--|---|

For two years the negotiation concerning revision of the 66 National collective conventions was ongoing between social partner organisations. The negotiation was bitter and, finding it impossible to reach an agreement, it was decided in 2012 to put a momentary end to the discussions as the 2013 deadline for the matter of union representation approaches.

Within the domestic aid branch

Prior to the 1st January 2012, three National collective conventions existed within the branch: the ADMR CNN of domestic aid employees on a rural scale, the CCN 70 of family workers and the CCN 83 of domestic aid and maintenance organisations. As of 1993, the year the domestic aid branch was established, the branch agreements⁵⁰ were added to and replaced the different CCN forms.

The fusion of the branch into a single convention is the result and the mark of a productive social dialogue but also of the strong infrastructure of the branch.

According to the representative of one of the workers unions, “from the start there has been a real political desire to construct and establish a collective convention for the branch, merging the entire sector. (The branch) knew to keep its head high, to defend its existence when confronted with government plans (the Borloo plan or even the government’s desire to develop the trading sector within the field of activity, by using tax deduction incentives). Employers knew to come together, since 1993 we have gone from 8 employers federations to 3.”⁵¹

⁵⁰ Branch agreement on a part-time employees’ statute of 19/04/93; branch agreement relating to the organisation of work of 31/10/97; branch agreement on domestic aid concerning jobs and compensation, 29th March 2002; lifelong training agreement and professionalisation policy of 16th December 2004; agreement relating to modulated time, 30th March 2006; agreement relating to age discrimination and the employment of seniors, 27th October 2009.

⁵¹ Mrs. N., important workers union representative. Questionnaire response.

CCB for the domestic aid, service and care branch, 21st May 2010

After ten years of negotiations between the social partners, a single collective convention was established in 2012. On the 1st January 2012, this convention extended its application fields to the domestic aid branch.

| Employers Union signatory(s) | Workers union signatory(s) | Scope |
|---|----------------------------|---|
| USB Domicile (Adessadomicile, ADMR, FNAAFP-CSF, UNA | CFDT UNSA/SNAPAD | Domestic aid, service and care branch. Comprises 220,000 employees. |

Within the social and familial linking branch

The CCN for social and familial links: social and sociocultural centres, young child care associations, and social development associations, 4th June 1983

In the beginning, this convention concerned associative social and sociocultural centres, and since Appendix 6 of the convention was written in 2005, it also includes young child care associations (appendix extended in 2007).

| Employers Union signatory(s) | Workers union signatory(s) | Scope |
|------------------------------|--|---|
| SNAECSO | CFDT UPSAO-CGT CFTC CGT_FO CFE-CGC | Private law non-profit associations and bodies, whether in a legal form, which include these activities in their main title: social service and facilitation and/ or social care and/or cultural plans and initiatives and/or young child care. |

Within the services to the individual branch (private sector)

The CCN for services to the individual organisations, 23rd January 2012

A convention was signed on the 23rd of last January, but it cannot be implemented due to a majority opposition of workers unions.

| Employers Union signatory(s) | Workers union signatory(s) | Scope |
|------------------------------|----------------------------|----------------------------|
| FEDESAP FESP | CFTC CFE-CGC | Services to the individual |

**Within the commercial private sector
CCN 26th August 1965**

The scope of this agreement is extremely vast: handicapped or maladjusted children and adults, or those facing social difficulties, the elderly, private non-profit sector education and commercial societies. Since 2011, social partners have engaged in 'cleaning up' the collective labour agreement and 2012 is the year of the study into recasting salary scales.

| Employers Union signatory(s) | Workers union signatory(s) | Scope |
|-----------------------------------|----------------------------------|---|
| Current UNISS (SNEME, SISME, SNP) | CFTC FO CFDT CGT CGC | Covers the activities conducted by private organisations, associations or companies related to the following terminology: Education, human health activities, Residential care and homeless care. |

Current issues

The debate over the dependence and creation of a 5th risk

For several years, the debate in France has been focused on the creation of what is known as the fifth risk. It would involve a new dimension of social protection, as well as the four existing ones, which are illness, the family, workplace accidents and retirement. Also called "dependency risk" or "loss of independency risk", it concerns elderly dependents or handicapped persons. The latter would receive compensation for this lack of independence. The individual independence compensation would become a universal right, no matter the age of the person or the reasons for loss of independence. This dependence reform was first announced and eventually abandoned by Nicolas Sarkozy on the 1st February 2012 for cost reasons, but debates concerning the fifth risk continue.

Domestic Aid funding

Due to the economic crisis, the domestic aid sector has henceforth experienced structural funding difficulties which threaten the system. The departments are suffocated; funding exemptions have been lifted⁵² and the fifth risk has been momentarily abandoned. Faced with these difficulties, 16 representative organisations of professionals and users of the sector grouped themselves together in a partnership (Partnership of the 16⁵³, then becoming the Domestic Aid Partnership) and raised awareness about the gravity of the situation and the necessity of the creation of an emergency fund to help those domestic aid and care organisations in most difficulty. On the 21st September 2011, an agreement was signed by 14 members of the Partnership of the 16 and the Assembly of Departments of France: it seeks to overhaul the contractual relationships between domestic aid associations and general councils and to implement local foreshadowings which could be the new methods of setting tariffs.

Since then, a National monitoring committee aims to lead the forerunners of the tariff reform of domestic aid services. A IGAS-IGF mission was mandated on these issues and a report issued in 2010 (IGAS-IGF, 2010). The pricing reform is underway⁵⁴.

1.3.1. Collective labour agreement revisions

CCN 51 and CCN 66

The use of competitive procedures - induced by the HPST Law of 2009 and by the promotion of services to the individual - has profoundly altered the social and medico-social sectors. In the words of one interviewee, "It is a complete shift in standard". (M.T DGA of an employers federation in the associate health and social branch). Indeed,

⁵² The reduction of charges which benefited individuals employing help at home was abolished on 1st January 2011. According to Hugues Vidor, Managing Director of Adessa Domicile, it is a threat to 20,000 employees.

⁵³ Signatory organisations : Adessa – A Domicile – ADMR – AD-PA – APF – CNPSAA – CNRPA – French red cross – Rural families – FNAAPF/CSF– FNADEPA – FNAQPA–UNA – UNCCAS –Uniopss – USB-Domicile.

⁵⁴ See, for example: http://www.fehap.fr/page-secteur.asp?ID_sec=3

it is now the ARS (Regional Health Agency) which plans, establishes the specifications and launches project proposals. This project proposal system induces competition between organisations belonging to the sector, but also among private structures. Here, the same interviewee states that, for example, in the handicapped persons housing sector, the CCN puts the structures of the branch in a very undesirable situation in this competitive environment: in response to project proposals, there are budgetary differences of up to 20% between the PNL (relating to the CCN) and the private sector. This is also the problem faced by another representative: financiers retain the cheapest and least socially significant projects. Certain establishments are on the verge of closing down (Mrs A., employers federation representative). It is within this context that, on the 1st September 2011, the FEHAP denounced part of the CCN 51⁵⁵.

For the FEHAP, the idea is to evolve the convention to match the evolution of the sector and to redistribute the payroll. This involves reviewing the agreement in terms of more local flexibility at an institutional level. For now the negotiations continue in opposition against the review on behalf of the workers' unions.

Regarding the CCN 66, a negotiation concerning the revision of the convention was underway for two years. The interviewees questioned within the framework of this study highlight that the current issues concern more specifically:

- New positions in keeping with the evolution of the heart of the domain linked to a restructured organisation based on the peoples' needs (eg, appearance of case managers or care coordinators)
- working hours (trimestral holidays agreed by certain individuals, making organisation of work difficult)

⁵⁵ This means that it calls for removal and replacement by an alternative agreement. According to legal procedure, following a denunciation, after 12 months (until 1st December 2012), either the text is revised by agreement between the parties or the collective labour agreement no longer applies.

- changes to salary scales

Leaning towards a single Health and social associative branch convention?

At the time of these heated discussions about revisions of the CCN, a debate ensued on the issue of the creation of a single convention for the entire social and medico-social sector, therefore for the entire health and social industry. Three employees federations are in favour of the single convention (CFDT, CFE-CGC and CGT), as well as two employers federations, FEGAPEI and FEHAP, for different reasons. According to Mrs. M, an employers federation representative, "the reconciliation logic is in the interest of both the sector and the professionalisation of the sector employees," something which is not easy at the present time due to various conventions and agreements. The domestic aid branch has shown great effort and commitment to unity on this subject.

The SSE, carrier of value and absorber of crises

Our representatives are part of the issue of promotion and recognition of the social economy on a national and European level. As Mrs. M, an employers federation representative, has told us, the SSE sector, unlike the market economy, absorbs more crises and bears more employment and essential values. "The social non-profit sector certainly has no obligations like the public sector does in terms of public service missions, but it responds to a public service mission." (Mrs. N, labour union representative).

It lacks instead in two areas: it is not sufficiently recognised and is still too fragmented to show an organised front to the public authorities.

European Social dialogue

Regarding themes to be considered at a European level, here are some that have been proposed by our spokespersons: social services of a general interest and the notion of trust, professional training, care for small children, continuing to employ seniors, free movement of people, working hours ("grey" areas in particular: travelling outside of time allocated for travel, fines).

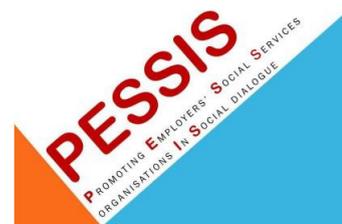
Some people questioned on the subject of a European social dialogue were open to discussion but very conservative. Thus, Mrs. C, an employers' organisation representative, says: "France is a very special case: the social subject in general, services of a general interest, are very developed; only France has an equally developed social system. We must be careful if things are to be established at a European level: France has more to lose than to gain." And she adds: "We must be careful: Yes to a European dialogue, but it all depends: on what basis?" We are at a time when the boundaries are constantly moving, In France, we must be careful not to do them in! We are in favour of a European dialogue but it really depends on the platforms, if we can agree on common values." Similarly, Mrs. N., a trade union representative, believes that European issues are present - in particular with regards to professional training, organisation and regulation of the labour law - but on the condition that the common regulations and collective guarantees are harmonised upwards rather than downwards. A French model, with a long history in the matter of social services, which should be preserved, promoted and improved.

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National Report Greece



“PANAGIA ELOUSA”

**ALIKI MOURIKI & DIMITRI
ZIMOAS**

**NAIONAL CENTRE FOR SOCIAL
RESEARCH**

Introduction

For many years, the system of interest intermediation in Greece had been marked by strong state interventionism, party dependency and clientelist politics. Following a transformation process that had gathered momentum in the early 1980s (when the socialists had come to power), organised interests gradually achieved independence and institutionalised access to public policy within the framework of corporatist bodies.⁵⁶ This process was mainly triggered off by developments in the EU. The participation of Greek employers' and workers' associations in the European institutions reinforced their bargaining power vis-à-vis the Greek state and increased both their representational weight and their authority vis-à-vis their constituencies.

This rise of organised interests in Greece has been described by many scholars as an "artificial neo-corporatism", owing to the fact that it was not caused by a genuine, endogenous development, but rather by a top-down process, unleashed by the growing requirements for macro governance in the wake of European integration. This trajectory is reflected in the weaknesses of the system: weak membership, excessive fragmentation of organisations, and a formalistic rather than substantial influence on important areas of public policy.

The process of collective bargaining could not remain unaffected by the above developments. Until 1990, the scope of bargaining was confined to pay issues and its outcome was subordinated to a compulsory system of state arbitration. These regulations were replaced by the law 1876/1990, which marked a breakthrough in **modernising** industrial relations, as it enacted the independence of bargaining from pervasive authoritarian interference of the state. The institutional framework affecting labour relations provided more than 20 years of social peace and greatly contributed to the mitigation of social conflicts.

This was true until the debt and fiscal crisis in Greece forced the government in 2010 to seek a bailout from the IMF, the European Central Bank and the European Union ("troika"). The first bailout agreement concluded in May 2010 in exchange for a € 110 billion in emergency funding (loan), introduced a series of policy reforms including: cuts in public spending impacting on wages and pensions; the downsizing of public utilities; and a drastic revision in labour relations, affecting minimum rates, mass layoff limits, collective bargaining arbitration and severance pay levels. The first rescue plan, that was repeatedly reviewed and supplemented with further austerity measures, was soon followed by a new, even more painful austerity and structural reform programme in February 2012. In exchange for a further € 130 billion emergency funding from the "troika" and a drastic cut in the country's foreign debt,

⁵⁶ See Lanza and Lavdas, 2000, cited in Mouriki, A. and F. Traxler, 2007

the Greek government had to pass new legislation that demolished what had been left of the industrial relations and collective bargaining systems. These successive blows to the system of social consultation, in association with a rapidly deteriorating economic and social situation, shaped a totally new landscape for the social interlocutors.

In the social services sector in particular, the structure and organisation of the social dialogue process could not but follow the same course as that at the national level. The European integration and the legislative initiatives of the 1980s and the 1990s gave a significant impetus to social consultation and equipped the social partners' organisations with a decisively greater leverage. However, the long-standing weaknesses and the lack of a consensus culture, characteristic of the overall industrial relations system, have not allowed the social interlocutors to effectively participate in the design and implementation of social policies and to address some of the major problems in this area. Instead, the collective bargaining agenda has traditionally been limited to wage issues and characterised by a confrontational attitude and an inability of the stakeholders to strike compromises and make a synthesis of divergent views.

1. Profile of the social services sector in Greece

Contextual information: extent of the social services sector and recent developments

The social protection policy context

It is generally accepted that, contrary to what happened in most western countries, the growth of the post-war Greek state (1960s until mid-1970s) has not been accompanied by the development of its welfare functions. Family and more generally informal networks compensated for the lack of organised state support in the social welfare area. It is with great delay, in the early 1980s, that the Greek state began to show some interest in promoting welfare state institutions and functions, a notable example being the establishment of the National Health System.

For a long time and until quite recently, social policy in Greece has played a residual role, mainly filling the gaps left by the family in the provision and distribution of welfare. As a result, the system of social protection in Greece has for many years been dominated by a traditional mode of functioning. Admittedly, this situation has gradually changed over the past twenty five years. For, concurrent socioeconomic developments have led consecutive governments in Greece from the mid '90s onwards to gradually improve the forms of public provision of social, welfare and support services in order to meet the increasing and multidimensional needs in this area.

Despite these efforts, however, public social policy planning and implementation continues to retain its centralised and legalistic characteristics, as is the case with almost all policy areas. These very characteristics, in their turn, are considered to be among the main problematic features of the social protection system in Greece, with serious implications on efficiency. Other factors that have impeded the development and proper organisation of the social protection system are the deficiencies in the quantity and quality of staff, especially at the regional and local levels. As regards the provision of community care and welfare services in particular, they are also characterised by uneven development with respect to organisation, personnel and funding, compared to the two other basic sectors of social protection, namely social security and health protection.

Overall, it may be said that the system of social protection in Greece was never planned as an entity and even today it appears to be short of possessing a unifying philosophy. When it comes to examining, in particular, the way that welfare and social protection services are organised in Greece, one observes that, despite the positive steps taken over recent years, there exists a split between the provisions made by the various social security funds and the provisions made by the Ministry of Health and Social Solidarity through its decentralised services. Besides, it should be pointed out that until very recently, the National Health System and the Social Care Provision in Greece have been developed separately in different time-spans and their functioning has been governed by distinct laws and regulations in terms of their organisational aspects and their administrative structures.

Moreover, it should be noted that Greece has been characterised by a strong centralised structure of the state mechanism and consequently social policy planning and implementation reflect this excessive centralisation. Regional and local levels had, until very recently, relatively few powers in the social policy area. Rural areas in Greece have presented –and to some extent still do today- a greater “welfare deficit” in relation to urban areas, especially in terms of social infrastructure and human resources capacity. Nevertheless, during the 1980s and the 1990s, a transfer of competencies with regard to welfare activities from the central ministries to the local authorities has taken place. Local authorities were thus allowed to provide a wide range of services concerning mainly the protection of maternity and infants, as well as the protection of the disabled and the elderly, while they could also pay cash benefits to persons in need of financial aid. A notable example in this respect is reflected in the establishment and operation of the Open Care Centres for the Elderly People (KAPI), an initiative that began at the end of the 1980s and continues through to date. It is worth mentioning, however, that very recently (2010), a new Law was adopted concerning

the re-organisation of the Local and Regional Administration ('Kallikratis' Law no 3852/2010). This Law provides, among other things, the delegation of responsibility of the social welfare policy to the Local Government; as a result, municipalities now play a much more important role in social policy and, in particular, in providing welfare and social services. Yet, it is questionable whether this transfer of competencies to the local authorities has been accompanied by a simultaneous transfer of the necessary resources.

The Social Services Sector

Social Services in Greece have been commonly described 'as poorly planned'. Instead of basing the development of social services on a careful assessment of needs and the hierarchy of priorities, the state followed a different approach and proceeded in a piecemeal fashion; as a result, social services were developed to address extreme situations rather than enhance prevention. In general, social services have traditionally –and until recently– focused on the needs of three population groups: the *children and their families*, the *elderly* and the *disabled*. Moreover, in the late 1980s and early 1990s, Greeks coming from Eastern Europe and the former Soviet Union (the 'Pontian Greeks') also became an important target group for social services, given that there were facing serious social integration problems.

Due to poor planning, or lack of planning, needs in many areas have gone unmet, while in other areas there has been a serious overlap in social services provision by multiple public bodies. The multiplicity of bodies has also been linked to geographical inequalities: in some areas there were many bodies offering the same services, while in other areas there were serious shortages of services. The lack of coordination among the service providers made the situation even worse.

However, over the last two decades, significant efforts have been made to move away from the provision of traditional welfare services towards the implementation of programmes, facilities and community services of open social care and protection and other related support services addressed, not only to the above mentioned target groups, but also to people experiencing situations of poverty and social exclusion. In particular, over the recent years, specific schemes of social support have been implemented for pre-school children, disabled children and the elderly, heavily co-financed by the European Social Fund under the Community Support Frameworks for Greece. These initiatives are considered as the main social policy interventions that have significantly benefited the population in rural areas over the past twenty years. However, there still exist considerable gaps and overlaps in the provision of social services by the different levels of central, regional and local government, as well as by the private and the non-governmental sectors.

Moreover, the positive steps taken by the Greek state are still short of meeting the ever increasing demand for new social services, especially in the present conditions of economic and fiscal crisis that Greece is facing and the negative impact that the strict public austerity programmes are having on people's incomes and living conditions.

Historically, in the field of social and welfare services, the Greek state has traditionally assumed a residual role, mainly aimed at filling the gaps left by the family, which, regardless of recent structural changes, still occupies a central position in the provision and distribution of welfare. In playing such a limited role in the provision of social services, the state has finally allowed private initiatives (private for-profit enterprises, charitable societies, church organizations and other non-profit agencies) to take on the role of the other main agent (besides the family) in this field, along with a few semi-public nation-wide organisations. The non-statutory provision exhibits a variety of forms ranging from formal institutions of the Church and a number of large non-profit making organisations to small locally based associations, voluntary bodies, self-help and pressure groups. However, with the exception of the Church and a small number of semi-public (semi-independent) organisations, their role has been very limited until recently.

Since the beginning of the 1990s, however, one notes that excess demand for such services has been increasingly met by the *private sector*. This development is not so much the outcome of a transfer of obligations and resources from the public to the private sector, but rather the entry of private sector bodies, both non-profit and for-profit, to meet demand that the public sector could not satisfy. This is also congruent with the fact that, for a variety of reasons (demographic, cultural and predominantly economic), the efficiency of informal networks (such as family support) has tended to decrease in recent years. The significant growth of the private for-profit sector in the provision of certain social services in Greece – such as childcare services and residential care for the elderly – is reflected in the establishment of private limited liability companies governed by commercial law and, to a lesser extent, the establishment of small family enterprises. This undoubtedly indicates the inability of public and private non-profit institutions to satisfy the growing demand for such services.

As regards the *non-profit sector* it should be noted that the last decade has seen the emergence of a large number of non-profit and non-governmental organisations in Greece, which are involved in a wide range of social activities and programmes, such as rehabilitation services, psychological support, social care, the operation of residential care for the mentally ill, the provision of training, occupational and empowerment activities, etc. The legal form of the great majority of the non-governmental organisations is that of '*civil society*' (*société civile*) which

is a legal entity whose purpose may be economic but it does not aim at making profit. The legal form of *association* is also taken by many of these organisations. Yet, it is worth noting that this explosion of NGOs is mainly in response to external stimuli, and more specifically in response to the availability of European Union funds. This availability of EU funding for social programmes has meant that the market for welfare social services, that includes the public sector, the private non-profit sector and the private for-profit sector, has not been self-generated in response to internal demand. Instead, it has been generated largely in response to the availability of EU resources.

Finally, it is useful to point out that, at present, phenomena of poverty, social exclusion and marginalisation are rapidly increasing at a time when conventional forms of support –either from the public sector or the informal networks- are undergoing serious strain. The ever deteriorating economic environment and the unprecedented fiscal crisis have led to the implementation of strict austerity policies which, among other things, restrict public forms of support – which, in any case, in Greece have never been adequate. Traditional support networks, amongst which the family is the most important, are already under strain and find it increasingly difficult to fill the gaps caused by inadequate public provision. Nevertheless, given the lack of adequate public social services and care provision, coupled with the fact that Greece is still lacking a social ‘safety net’ scheme for all groups experiencing poverty and social exclusion, the family and informal networks in Greece are called upon to play an even greater role in caring for their members who are most in need, especially during these times of economic hardship.

Size of social services sector

Table 1
Social care activities without accommodation (NACE 88)
Number of workers, 2008 & 2011

| | 2008 | | | 2011 | | |
|--------------|-----------|-----------|---------------|-----------|-----------|---------------|
| | Full time | Part-time | Total | Full time | Part-time | Total |
| MEN | 1 901 | 0 | 1 901 | 1 571 | 286 | 1 857 |
| WOMEN | 19 032 | 553 | 19 585 | 19 398 | 1 219 | 20 617 |
| TOTAL | 20 933 | 553 | 21 486 | 20 969 | 1 505 | 22 474 |

Source: EL.STAT., Labour Force Survey, 2008 & 2011

Out of the total number of 22 474 of employees working in this sector, 75% work in childcare services and the remaining 25% in care activities related to the elderly and the disabled. A further 8,848 workers, of which 888 men and 7,960 women, work in the provision of *residential care activities* to private households (NACE 87), mostly for people with

mental health problems, elderly people and disabled.

Methodological problems and barriers to carrying out the research

The collection of reliable hard evidence has never been an easy task in Greece, although there has been a significant progress over the past years in the quality, the variety and the comparability of data produced, but also in the access to government reports. The same is true regarding the mapping of the main players involved in the social dialogue process in the social services sector. For the purposes of the present report the major problems that the research team encountered relate to the following issues:

- (a) definition of the social services sector: which activities are included and which are not;
- (b) lack of analytical data: available statistics for the social services sector do not make a distinction between the health sector and the social care sector, nor between age groups and ethnic origin of the workforce;
- (c) contradictory information provided by the competent institutions (for example, there are discrepancies in the number of infants at infant schools between the Hellenic Statistical Authority and the Education Ministry);
- (d) administrative deficiencies, such as overlapping responsibilities for social protection and social care among numerous ministries (Interior, Education, Labour, Health and Social Solidarity, etc.) and the lack of monitoring mechanisms;
- (e) fragmentation of organisations involved in the social dialogue process at every level of negotiations, overlaps and serious representativity gaps;
- (f) difficult to define the exact number of employers and employees covered by collective labour agreements;
- (g) difficult to reach all the stakeholders and the players involved; and
- (h) a constantly changing regulatory framework regarding collective bargaining and employment terms and conditions.

As a result of the lack of data and of systematic research, it is difficult to assess the relative weight of and the changing relationships between the various sectors – public, private non-profit, family and community and private for-profit- in the provision of social services in Greece.

It is important to bear these shortcomings in mind whilst reading this report.

Main sources of data collection

- (a) Statistical data:
 - EL.STAT. (Hellenic Statistical Authority): Labour Force Surveys and Household Budget Surveys

- Eurostat
 - Labour Inspectorate (SEPE), 2012 1st quarter report and 2011 Annual Report
- (b) Specialised reports and studies
- ICAP, 2010, "Sectoral study. Private kindergartens and crèches"
 - EETAA(Hellenic Society for Local Development and Government), 2012, "The municipalities in figures"
 - KEDKE (Central Union for Municipalities and Communities in Greece) , 2008, "The Local Government Organisations in figures"
- (c) Primary data collection
- National Workshop meeting
 - questionnaires sent to the social partners' organisations
 - telephone interviews.

Users of social services

Table 2
Users of social services

| | Children (0-6) | Elderly persons | Disabled persons* |
|--------------------------|----------------|------------------|-------------------|
| PUBLIC SECTOR | 78,272 | 60,000-130,000 * | n.a. |
| PRIVATE SECTOR | 49,866 | 10, 000 | n.a. |
| NON-PROFIT SECTOR | n.a. | n.a. | n.a. |

sources: EETAA 2012, Ministry of Labour, ICAP 2010

* The number of disabled people in Greece remains unknown, as there are no official data.⁵⁷ As for the number of elderly people, it varies greatly depending on the year of reference and the availability of funding.

Main providers of social services: public, private and non-profit social services organisations

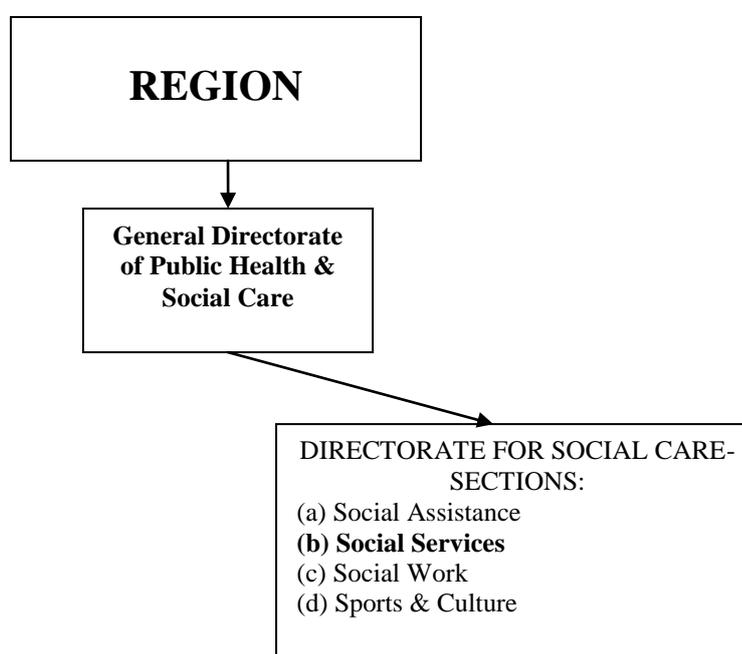
⁵⁷ According to the National Confederation of People with Disabilities, the share of disabled persons (that includes the chronically ill) is estimated at around 10% of the total population, i.e. approx. 1 million people.⁵⁷ However, this estimation should be treated with caution as the only reliable source would be a population census. The lack of hard evidence is even more salient as to the number of users of social services provided to the disabled. For more details, see the National Confederation of People with Disabilities (ESAMEA), available at www.esaea.gr. ESAMEA is the main organization representing disabled people in Greece. It was founded in 1989 and represents more than 250 organisations of the disabled. The Confederation has been officially recognised as a social partner by the State and participates in public debates and official consultations on all relevant issues. Its President, Yannis Vardakastanis, chairs also the European Disability Forum.

Integrated social services

I. PUBLIC SECTOR

Regional Government (13 Regions)

In each of the 13 Regions of Greece there is a *General Directorate of Public Health and Social Care*, which is responsible for the co-ordination and the monitoring of the good functioning of all units under its authority, as well as for addressing every problem that arises, in close co-operation with the competent ministries. The General Directorate consists of different Directorates, depending on the Region. The Attica Region, for example, the largest in the country, consists of 13 Directorates, a *Directorate for Social Care* responsible for the whole Region and a further 7 Directorates of Public Health and Social Care, operating at the level of the former prefectures. The *Directorate for Social Care* is endowed with welfare competencies regarding the family, the child, the elderly, the disabled and the vulnerable groups of the population. It is organised around 4 Sections: (a) The Social Assistance Section, (b) The Social Services Section, (c) the Social Work Section, and (d) the Sports and Culture Section.



The main welfare responsibilities of the *Social Services Section* that are of interest to this report are:

- to link together the Regional welfare social services and infrastructure, and
- to exercise legal control over the functioning of the Elderly Care

Units and the childcare institutions.⁵⁸

Local government

The 325 local government organisations (1st degree) provide services for children aged 0-6, for the elderly and for disabled children. These programmes are funded by the European Social Fund-National Strategic Reference Framework and are run by public law legal entities, private law legal entities, and some private companies.

II. PRIVATE SECTOR – FOR PROFIT AND NON-PROFIT SECTOR

There are no integrated social services provided by the private sector, either from profit or not-for-profit institutions, organisations and companies.

Dedicated services

Childcare

I. PUBLIC SECTOR

The range of public social services devoted to young children and their families includes nursery and infant schools, centres of creative activity for children aged between 6-12, as well as centres of creative activity for children with disabilities. These services are accessible to all children, although priority is given to children belonging to vulnerable groups and to low income families. Public child-care facilities for children under 3 is still underdeveloped in Greece, while facilities for children aged between 3 and 6 years have, in recent years, substantially expanded.⁵⁹

Overall, it may be said that affordable childcare services are still not widely available for pre-school children (i.e. until compulsory school age). The existing public facilities consist of:

- 1751 municipal crèches and kindergartens with 11,150 employees covering approx. 78,000 children, (2008 data).⁶⁰ The most recent data available is: 1319 municipal crèches and kindergartens⁶¹, with an unspecified number of children.
- The total number of infants in state schools is 147,141 (according

⁵⁸ See Presidential Decree no. 145, *Government Gazette*, 27-12-2010 (in Greek).

⁵⁹ It should be noted that, since the 1980s, the responsibility of the state nurseries has gradually shifted from the Ministry of Health and Social Solidarity to the local government organisations.

⁶⁰ EETAA, 2008

⁶¹ The total number of municipal institutions, including the 258 Centres for Children's Creative Activity (KDAP, for children aged 6-12 years, of which 69 are addressed to the needs of disabled children) is 1,646. (EETAA, 2012)

to EL.STAT.) or 147,112 (according to the Ministry of Education)⁶².

II. PRIVATE SECTOR

The insufficient number but also the often sub-standard quality of public childcare services, have led parents to turn to the private for-profit sector. At present there exist:

- 1200 (1106) private crèches and kindergartens, mostly of small size, more than half (54%) located in the Athens and Salonika regions, and covering 55,000 (49,866) children⁶³
- The total number of infants in private schools is 9,488 (according to EL.STAT.) or 10,525 (according to the Ministry of Education).

Long-term elderly care

I. PUBLIC SECTOR

Historically, elderly-care in Greece has been a 'family affair', while public social policy towards the elderly had been, until the 1980s, restricted to pension payments, with very few non-cash benefits provided. However, as the structure of the Greek family has changed –mostly as a result of socio-economic changes, including the declining size of the family and the increase of women taking-up paid employment- the role of the family in caring for the elderly has been negatively affected.

Since the beginning of the 2000s, largely thanks to the EU co-funding, there has been a significant increase in the social services provided for the elderly living in the community. That is, apart from the Open Care /Protection Centres for the Elderly (KAPI), providing support, recreation and protection in the familiar environment of the community, which began operating in the 1980s (in 2009, 900 KAPI were in operation by the local government), a number of new services were developed, providing social support and care for the elderly at home and in the community. These services are shortly described below:

- Care Homes (residential and nursing care facilities): residential care for the elderly is provided by approximately 270 'care homes' which are operated by private and non-profit organisations. Over half are situated in the Greater Athens Area, and in their vast majority are run by private (for-profit) enterprises, whilst the remaining by charitable organisations, local authorities and the Church. No data is available regarding the total number of these residences.
- Day Care Centres for the Elderly (KIFI): these are day care centres

⁶² ICAP, 2010

⁶³ ICAP, 2010

for the elderly who are lacking adequate means, are not capable of self-help and whose family is unable to support them. Today there are 68 institutions operating under the responsibility of local authorities with 340 employees, covering 1,521 users (EETAA, 2012).

- Programme "Assistance at Home": this programme is addressed to the elderly people with a low income, who live on their own and have mobility problems. The aim of the programme is to provide support to the elderly in their own environment, thus avoiding their institutionalisation. Although this programme was initially launched in 1997 in a limited number of municipalities, since 2001 the programme has been expanding all over Greece with the financial support of the European Social Fund. Today, there exist 1,009 institutions, with 4,727 employees, covering 80,600 users in 2011 (EETAA, 2012) ⁶⁴

II. PRIVATE SECTOR

- Care homes for the elderly: 10,000 beds in the registered institutions, with approx. 2,500-3,500 workers

Disabled persons

I. PUBLIC SECTOR

There are 52 public sector organisations for people with disabilities, supervised mostly by the Ministry of Health & Social Solidarity, but also by other Ministries such as the Interior Ministry, the Education Ministry and the Labour Ministry. Moreover, there exist approximately 450 community residential structures for mentally ill persons, which provide accommodation, care and protection services (hostels, boarding houses, sheltered apartments, sheltered workshops, etc) to approximately 3,500 individuals. They are operated by public and non-profit organisations, employing in total around 3,000 people.

Diagram 1
PUBLIC SECTOR INSTITUTIONS FOR THE DISABLED PERSONS

| Public authority | Name of institution |
|--|--|
| Ministry of Health & Social Solidarity | Centre for the Education and Rehabilitation of Blind Persons |
| | National Centre for Deaf People |

⁶⁴ According to the Labour Ministry, the total number of beneficiaries (old and new) will rise to 130,000 this year, following the co-financing of the Programme by the European Social Fund.

| | |
|---|--|
| | National Centre for Social Solidarity (EKKA) |
| | National Observatory for Disabled People |
| | Social Care Units for Unprotected Children (aged 5 ½ -18 years) |
| Regions (13)- Social Care Directorates | Centre for Treatment and Rehabilitation |
| | Shelter of Supported Living for Disabled Persons (PNOY) |
| | Centres for Creative Activities for Children with Disabilities (KDAPmeA) |
| Ministry of Interior-Municipalities | Municipal social services |
| Ministry of Education | Special education for disabled children |
| Ministry of Employment and Social Security-Manpower Organisation (OAED) | Rehabilitation Sector for Disabled Persons |

One should also include in the social services provided by the public sector to the disabled the following:

- The establishment of a unified structure for the certification of disability (EKPA);
- The operation of day Centres for the Support of Disabled People (KEKYKAMEA).

II. PRIVATE SECTOR

The private sector provides individual services to the disabled and collective services in private clinics for the mentally ill. Some NGOs are also involved in providing services for the mentally ill. There is, however, no evidence regarding the number of either the providers or the users of these services.

Value of social services and main sources of funding

The value of social services is hard to establish as a large share of these services are provided by the informal sector and the volunteer sector. The informal sector includes the family networks, but also undeclared migrant workers who provide their services not only to households, but to the official sector of the economy as well. Moreover, the boundaries between formal and informal social services are often blurred, thus making it even harder to assess the value of services. This, in part, explains why there is a lack of relevant data, with the exception of very fragmentary information regarding only a small portion of private companies involved in childcare and long-term elderly-care.

There are three main sources of funding in the formal social services sector: public funding, EU funding through the European Structural Funds (mainly the European Social Fund) and private contributory funding. Public funding has been on the decline and is being increasingly substituted for by EU funding, especially for the implementation of programmes for the elderly, childcare facilities and Community Centres for the Disabled, as well as community-based hostels for the mentally ill. The fact that social care heavily depends on the availability of EU funds is a source of major concern, as the viability of these services will be put into great jeopardy in the event of a reduction, or, even worse, a termination of this major source of funding.

2. The social dialogue process in the social services sector

Prevailing arrangements: the content of the social dialogue process, strengths and weaknesses of existing arrangements, areas covered, positive examples

The strengths and weaknesses of the prevailing social dialogue arrangements emerged quite clearly during the National Workshop discussion with the social partners' organisations.⁶⁵

- ***Employers' view:*** both employers' representatives pointed out to the fact that the collective bargaining agenda is very limited agenda, covering only wage issues. The Hellenic Association of Private Kindergartens (PASIPS) has on several occasions attempted to broaden the agenda, in view of including other issues as well, such as on-going subsidised training programmes, participation in joint initiatives like art exhibitions organised by UNICEF, re-forestation, collection of clothing and food for those in need. However, the workers' unions either do not respond to the invitation addressed by the employers' organisation, or they do not fulfil the engagements they have undertaken. The other employers' organisation PEMFI (Hellenic Union of Nursing and Care Homes) pointed out that there is no receptive interlocutor on the workers' side and that in the event of a labour dispute, the arbitration process through the Mediation and Arbitration Service (OMED), as well as the court processes, always rule in favour of the union side.⁶⁶
- ***GSEE's (General Confederation of Greek Workers) viewpoint:***

⁶⁵ For a detailed account and the SWOT analysis see Appendix II.

⁶⁶ This may have been the case until recently, but, at least as far as arbitration is concerned, the new legislation introduced stipulates that there can no longer be unilateral recourse to the Mediation and Arbitration Service (OMED). Both sides must agree. Therefore, the union side cannot expect any favourable treatment any more.

- (a) Content of the social dialogue process: according to GSEE, the content should become more specific as to the participatory parties, the level of negotiations and the agenda, so as to avoid the eventuality of considering any form of bilateral dialogue between any interlocutors as formal “social dialogue”; by contrast, in the institutionalized social dialogue process on labour issues, it is clear that the parties involved include the employers’ organisation (or single employer) and the workers’ union organisation or the national authorities.
- (b) Strengths and weaknesses of existing arrangements: as long as the social dialogue is conducted in mutual good faith and with the aim of reaching an agreement and coming into an understanding, the pre-conditions are met for social peace, which, in the case of the social services sector, can bring multiple gains to all parties involved (employers and employees, direct and indirect users, mostly belonging to vulnerable groups). In this context, one of the *strengths* of social dialogue could be the initiative to engage into collective bargaining procedures in view of reaching the conclusion and implementation of a CLA. Equally important could be the conduct of social dialogue on the problems of each sector, the drawing of common conclusions, as well as the presentation of common recommendations and the joint pressure on the government to implement them. As for the *weaknesses* inherent in the prevailing arrangements, regarding workers’ rights, one can point out to the concessions that employees have to make, at the expense of the full satisfaction of their demands, in order to strike an agreement with the employers’ side. From the part of employers, a weak point –according to GSEE– is their typical difficulty, especially in the private sector provision of social services, to fall back on their profits’ aspirations to the benefit of the social service they provide, but also, their unwillingness to reach a binding agreement, especially at the sectoral level. From a wider perspective, the union representative made the point that there is an overall social dialogue deficit, mostly the responsibility of the central government; this deficit has been also stressed by the National Committee for Human Rights (www.nchr.gr), of which GSEE is a statutory member.
- (c) A positive example of social dialogue process in the social services sector is the significant efforts of the Greek Economic and Social Council (OKE) to conduct an organised social dialogue. Also, both the public sector and the private sector unions of the social services sector have contributed to enhancing the social dialogue, as is the case with other important NGOs, such as the Network of Psycho-social Rehabilitation and Mental Health Institutions “Argo”, the Panhellenic Association for the Psycho-social Rehabilitation and

Professional Re-integration, etc.

Main stakeholders / players

The extreme fragmentation and complexity of the Greek collective bargaining process is also reflected in the social services sector. The main players involved in social dialogue include the central administration and the local government in the public sector, and the employers' organisations of private childcare and elderly-care services in the private sector. On the workers' side, employees are represented by an array of unions, mostly secondary, without excluding the tertiary organisation and some primary organisations.

Diagram 2

| | PUBLIC SECTOR | PRIVATE SECTOR | NON-PROFIT SECTOR |
|------------------|---|--|---|
| EMPLOYERS | <ul style="list-style-type: none"> ▪ Ministry of Finance (wage setting) ▪ Regional Government (for the legal aspects of operation) ▪ Local Government organisations ▪ Interior Ministry ▪ Ministry of Health & Social Solidarity | <ul style="list-style-type: none"> ▪ PASIPS (Hellenic Association of Private Kindergartens) ▪ PEMFI (Hellenic Union of Nursing and Care Homes) | |
| EMPLOYEES | <ul style="list-style-type: none"> ▪ POE-OTA (Panhellenic Federation of Local Government | <ul style="list-style-type: none"> ▪ GSEE (General Confederation of Greek Workers) ▪ OIYE(Federation | <ul style="list-style-type: none"> ▪ GSEE (General Confederation of Greek Workers) |

| | | | |
|--|--|--|---|
| | <p>Workers)</p> <ul style="list-style-type: none"> ▪ POEDIN (Panhellenic Federation of Public Hospital Workers) | <p>of Private Sector Employees of Greece)</p> <ul style="list-style-type: none"> ▪ OSNIE (Federation of Hospital Institutions Associations of Greece) ▪ SKLE (Association of Social Workers of Greece) ▪ Association of Employees working in private kindergartens of Athens-Piraeus and suburbs⁶⁷ | <ul style="list-style-type: none"> ▪ OIYE (Federation of Private Sector Employees of Greece) |
|--|--|--|---|

PUBLIC SECTOR

⇒ **POE-OTA** (Panhellenic Federation of Local Government Workers) was established in 1950 under a different name and took its current name in 1983. It has 198 members and represents over 50,000 employees working in the local government organisations, in both public law legal entities and private law legal entities.

⇒ **POEDIN** (Panhellenic Federation of Public Hospital Workers) was established in 1978 and is the secondary level trade union representing 250 primary level unions with approx. 80 000 members, professionals working in public hospitals, in welfare institutions, in psychiatric hospitals, in primary health care and in emergency care.⁶⁸ The positions issued by POEDIN, which is the largest public sector union, set the collective bargaining agenda on non-wage issues with the government.

⁶⁷ Despite persistent attempts to contact this organisation, there has been no response; hence there is no information on its profile.

⁶⁸ 31 out of the 198 primary unions cover employees working in public welfare institutions: rehabilitation centres, support centres for children and disabled persons, etc.

PRIVATE SECTOR

⇒ **GSEE** (General Confederation of Greek Workers) is the highest, tertiary [trade union](#) body in [Greece](#). It was founded in 1918 and is affiliated to the European [Trade Union Confederation](#) (ETUC). GSEE is made up of 81 labour centres and 73 secondary confederations with a total membership of 450 000 private sector workers. It negotiates with the employer unions the signing of the National General Collective Labour Agreement that sets the minimum rates for private sector employees. GSEE participates in a large number of committees and advisory bodies and in the Board of Directors of national insurance funds, of the Manpower Employment Organisation and of other bodies. It has the capacity to represent the workers' side in the bilateral and trilateral social dialogue procedure at the tertiary level. This right is enshrined by European primary and secondary law, by international conventions and by the European Social Charter.

⇒ **OIYE** (Federation of Private Sector Employees of Greece) was established in 1922 and is a secondary level trade union representing 171 primary unions, covering 55 000 employees working in the provision of services. It is a member of UNI-Europa.

⇒ **OSNIE** (Federation of Hospital Institutions Associations of Greece) was established in 1957 and is a secondary union for private sector employees working in private hospitals, clinics, and care homes for the elderly. It has no European affiliations and very limited financial means. OSNIE negotiates the sectoral collective agreement with the employers' organisations representing the private clinics, care homes, etc.

⇒ **SKLE** (Association of Social Workers of Greece) is a primary union established in 1955. It represents the approx. 5,000 social workers employed in public or private sector institutions (both for profit and not-for-profit). SKLE participates in national committees charged with the design and implementation of social policies, such as *The National Council for Social Care* and *The Co-ordinating Council for the Vocational Training and the Rehabilitation of Disabled Persons*. The union negotiates a collective labour agreement with PASIPS (Hellenic Association of Private Kindergartens), covering the social workers employed in private kindergartens and crèches. The most recent collective agreement was signed in 2009 for a 2-year period and since its expiry there has not been a new round of negotiations. The majority of social workers are, however, employed in public sector institutions, in either public law legal entities, or private law legal entities and, thus, their employment status

varies.

Employers' organisations: profile of main players involved

Public sector

The Ministry of Finance is responsible for wage setting, within the framework, of course, of the 1st and 2nd Bailout Agreements concluded with the IMF, EC and ECB. For all other non-wage issues, the regional and local governments are the formal interlocutors of employees working in the public social services sector.

Private sector –for profit and not-for profit

Pre-school childcare

PASIPS (Hellenic Association of Private Kindergartens) was established in 1975. It represents approx. 418 out of the 1154 registered private kindergartens operating in Greece, with 14,000-15,000 employees and around 45,000 children.⁶⁹ PASIPS participates in the 4-member committee charged with issuing permits for the local government kindergartens and crèches. To this end, it has trained 70 of its members so that they can participate in these committees.

Elderly-care nursing and care homes

PEMFI (Hellenic Union of Nursing and Care Homes) was established in 1974, and took its present name in 2005. It represents the legally registered care homes providing residential care and nursing facilities for elderly people with long-term care needs across the country. It has 120 members representing both public but mostly private units with a capacity of 10,000 beds. The number of workers employed in the care homes are estimated at approx. 2,500-3,000 employees, and they cover a wide spectrum of qualifications such as social workers, registered nurses, care assistants and associated personnel, including doctors, psychologists, ergotherapists, physiotherapists and gymnastic instructors.

The Union PEMFI :

- promotes communication and fair competition among its members in order to work out best practice to increase the quality of services;
- submits proposals to the public authorities for the modernization of elderly care and nursing homes;
- ensures that the social insurance funds cover part of the expenses of nursing homes' users;

⁶⁹ ICAP, 2010

- develops and implements vocational training and certification programmes for care staff employed in care homes;
- participates in European programmes regarding ageing problems and quality care services.

Its main achievements include the standardisation of the costs of the Units and better value in services, through the voluntary implementation of quality care standards and the harmonisation of costs.

PEMFI participates in the European Association for Directors of Residential Care Homes for the Elderly – E.D.E.

The collective bargaining agenda: major issues facing the sector at the national, regional and local level

The social state in Greece was residual and ineffective even before the outbreak of the crisis. Despite the relatively high share of GDP that went to social protection, its impact on reducing the risk of poverty was limited, whilst the quality of social services was poor and with significant deficiencies in childcare, elderly-care and care for the disabled. The fiscal stabilisation and the austerity programmes imposed in the context of the two bailout agreements, further exacerbated the already serious problems in the provision of social services, especially regarding the social infrastructure, the hiring of personnel in the public sector and the local government organisations, the cost of the services provided and the ability of clients to afford the private social services. In the private sector in particular, the viability of the institutions has come under great threat, whilst the continuation of the municipal social services such as crèches, kindergartens and assistance to the elderly is only made possible thanks to EU funding (especially through the European Social Fund and the National Strategic Reference Framework).

In the private social services sector, the major issues facing the sector were brought into the surface during the National Workshop meeting by the representative of PASIPS (Hellenic Association of Private Kindergartens) who made the following proposals:

- need for a single pre-school care regulatory framework applicable to all service providers, without exceptions, such as the local government institutions, NGOs and the Church
- estimation of the real cost of childcare provision from the local government institutions, so as to have comparable data with the private sector institutions and avoid unfair competition
- launching of a “children’s voucher” (issued by the local governments and worth around € 3000 per year) that parents can use in any childcare institution they wish (private or public), provided they are prepared to incur the extra cost, in case they choose a more expensive private institution

- subsidised programmes for working women.

Recent developments in industrial relations and wage setting

The severe economic and financial crisis that hit Greece in 2009 has had far reaching implications on industrial relations and the social dialogue process. The legislative changes that accompanied the two bailout agreements concluded with the IMF-ECB-EU (troika) in the period 2010-2012 have gradually dismantled the prevailing regulatory framework for resolving labour disputes and for negotiating collective labour agreements. As a result, the social dialogue process has degenerated into a formal and superficial procedure, on behalf of the central government, thus striking a severe blow to the quest of consensus.⁷⁰ It has also undermined the collective bargaining procedures at every level of negotiation, national, sectoral and company-level, thus paving the way to the individualisation of labour relations.

The austerity measures voted by Parliament in the period from May 2010 to February 2012 include drastic cuts in pay and benefits of both public sector and private sector employees, increases in taxation and VAT, successive cuts in pensions over a certain amount, and stringent limitations on public sector new personnel recruitment. In the area of labour market institutions and of industrial relations, the new legislation introduced includes a number of shock provoking changes: the unilateral reduction by 22% of minimum rates;⁷¹ the introduction of sub-minimum wages for new labour market entrants aged under 25; relaxations in the limitations on mass redundancies and drastic reductions in the levels of severance payments; the abolition of the favourability principle (prevalence of the most favourable -for the employee- collective labour

⁷⁰ According to a formal Opinion issued by the Economical and Social Council of Greece, following the first wave of labour market reforms imposed by the 2010 austerity programme in May 2010, the law 3845/2010 was passed without prior social consultation with the social partners' organisations and the Council itself. This proved to be also the case with the much harsher legislative initiatives that followed in 2011 and 2012, that resulted into the dissolution of the industrial relations system that had been set up over the previous 50 years.

⁷¹ So far, minimum wages were negotiated between the employers' organisations and the General Confederation of Greek Workers (GSEE) and were ratified by the National General Collective Labour Agreement. The basic rates stipulated in the 2010 National General Collective Labour Agreement were reduced from € 740 per month (gross earnings) down to € 586,08 per month (€ 476,35 net earnings), whilst for those under 25 years they were reduced from € 740 to € 510,95 per month (€ 426,64 net earnings).

agreement), and of the right to extend the agreement to all the companies of the same sector; the introduction of special enterprise collective agreement in which wages and employment terms can deviate from sectoral agreements; and reforms in the system of collective labour dispute resolution (mediation and arbitration mechanisms).

The articulation of the national with the European level of social dialogue

Not all of the organisations involved in the social dialogue process in the social services sector have European or international affiliations.

On the employers' side:

- PASIPS (Hellenic Association of Private Kindergartens) does not take part in any European network;
- PEMFI (Hellenic Union of Nursing and Care Homes) is a member of European Association for Directors of Residential Care Homes for the Elderly – E.D.E.

On the union side:

- GSEE (General Confederation of Greek Workers) is a member of the European Trade Union Confederation (ETUC)
- OIYE (Federation of Private Sector Employees of Greece) is a member of UNI-Europa
- POE-OTA (Panhellenic Federation of Local Government Workers) and POEDIN (Panhellenic Federation of Public Hospital Workers) are affiliated, through the tertiary level organisation ADEDY (The Supreme Administration of Greek Civil Servants' Trade Unions) to the European Public Service Union (EPSU).

The other union organisations have no affiliations.

3. Collective bargaining agreements

Process and types of collective negotiations: past and present

I. PUBLIC SECTOR

Formal collective bargaining procedures in the public sector were introduced fairly recently, in 1999⁷². Public sector employees do not have the right to negotiate wage issues with the government, as these are determined by the central administration according to the fiscal policy that is being implemented. They can, however, put forward their demands regarding pay scales and negotiate a wide range of non-wage issues, such as special allowances, pension rights, secondments, working hours, promotions, etc. At the tertiary level, there are occasional

⁷² Law 2738/1999.

attempts to hold talks between ADEDY-The Supreme Administration of Greek Civil Servants' Trade Unions and the Finance Ministry, without, however, reaching an agreement. Almost all the crucial issues that are considered as "hot potatoes" by both sides, and that relate to the chronic problems of the Greek public sector, are excluded from the discussions. By contrast, at the secondary level, where the collective bargaining agenda is limited to non-wage issues, the majority of public sector federations conclude separate agreements with the central administration. It should be noted, however, that the employment status of public sector employees may vary within the same workplace, depending on their recruitment conditions; for example, employees with exactly the same qualifications and duties may enjoy different employment terms and conditions, depending on whether they have a permanent contract (tenure), an open-ended contract or a fixed term contract. In that case, they are covered by different collective agreements: the tenured personnel are covered by the Unified Pay Scale that applies to the public sector employees, whilst the personnel with an open-ended or a fixed-term contract are either covered by a Common Ministerial Decree or, by the National General Collective Labour Agreement for private sector employees.

II. PRIVATE SECTOR

The procedure that led to the conclusion of a collective labour agreement was, until February 2012, regulated by law 1876/1990 that recognised the right to free collective bargaining, the decentralisation of bargaining and the resolution of labour disputes without state intervention. The scope of agreements encompassed both individual employment relationships and collective labour relations. The provisions of an agreement were divided into "normative" provisions, that were mandatory, and into "obligational" provisions which regulate the mutual rights and obligations of the signatory parties.⁷³

Despite pervasive changes in the industrial relations system, the 4 types of collective labour agreements still persist, albeit with a different weight:

- (a) the sectoral (industry-wide) collective labour agreement
- (b) the occupational collective labour agreement (either local or national)
- (c) the company-level agreement, and
- (d) the National General Collective Labour Agreement.

Until recently, the most widespread types of collective agreements were the sectoral and the occupational agreements, whilst company-level

⁷³ See Kravaritou, Y., 1994, *European Employment & Industrial Relations Glossary: Greece*, European Foundation for the Improvement of Living and Working Conditions, Sweet and Maxwell and Office for Official Publication of the EC, p. 185

agreements were quite rare and limited to larger enterprises and organisations. The hierarchy of collective agreements made sure that if more favourable clauses for the employees were included in another type of collective agreement, these would take precedence. The *favourability principle* would apply when different collective agreements coincided, with the exception of an eventual conflict between a sectoral or company-level agreement and an occupational agreement. In that case, the first types of agreement would prevail over the second. The favourability principle was abolished by law 3899/2010.

The successive waves of legislative changes introduced over the past two years eventually downgraded the importance of all other types of collective agreements to the benefit of the company-level agreements. Since the most recent legislative initiatives (October 2011 and February 2012), the number of *company-level agreements* has been rising continuously, whilst that of *individual labour agreements* has been exploding, at the expense of sectoral and occupational agreements whose number is shrinking. According to the Labour Inspectorate (SEPE), during the 1st quarter of 2012, 236 firms with 13,829 employees concluded company-level agreements stipulating an average wage reduction of 21.35%, whilst in 16,338 firms, 64,201 workers had to sign individual labour agreements, leading to average wage reductions of 22.9%.⁷⁴

Under the previous legislative regime, the collective bargaining process was the following: the employer's or workers' most representative organisation would call the other party to negotiate a new agreement, once the previous one had expired. The provisions of the agreement could not derogate from the provisions of the National General Collective Labour Agreement. The content of a sectoral agreement could be extended by the Labour Minister to all employees of the sector concerned, if the agreement signed covered at least 51% of the employees. The *extension* could be requested by the trade union or the employers' organisation. The purpose of the extension was to bind those employers that were not members of the employers' organisation, so as to avert unfair competition. The possibility of extension was suspended until 2015 by law 4024/2011. Under the new regime, the prerogative for negotiating a new collective agreement lies with the employer.

⁷⁴ See www.in.gr/economy/article/ May 18, 2012.

Organisations involved in the collective bargaining process

Diagram 3
Signatory parties of the agreements concluded

| | Employers' organisations | Workers' organisations |
|----------------------------------|---|---|
| Public sector + local government | <ul style="list-style-type: none"> ▪ Interior Ministry + General Accounting Office of the State ▪ Ministry of Health + General Accounting Office of the State | <ul style="list-style-type: none"> ▪ POE-OTA (Panhellenic Federation of Local Government Workers) ▪ POEDIN (Panhellenic Federation of Public Hospital Workers) |
| Private sector (for profit) | PASIPS (Hellenic Association of Private Kindergartens) | <ol style="list-style-type: none"> 1. OIYE (Federation of Private Sector Employees of Greece) 2. SKLE (Association of Social Workers of Greece) 3. Association of Employees working in Private Kindergartens in Athens-Piraeus and suburbs |
| | PEMFI (Hellenic Union of Nursing and Care Homes) | OSNIE (Federation of Hospital Institutions Associations of Greece) |

Content and duration of the agreements

I. PUBLIC SECTOR

- There exist two categories of employees working in the public sector: those working as tenured personnel and those with an open-ended or fixed-term contract. The first group is treated as public law employees and the second as private law employees. Wage issues for tenured personnel are determined by legislation and the government's fiscal policy. As for the other group (whose numbers are increasing over the past few years), the Interior Ministry and the General Accounting Office of the State conclude a collective labour agreement with **POE-OTA** (Panhellenic Federation of Local Government Workers) covering employees working in the municipalities and in all the institutions

linked to the first degree local government organisations, with either a fixed term contract or an open-ended contract. The terms of the agreement apply to the members of the federation POE-OTA and regulate issues such as progress in the remuneration scale, allowances, extra paid leave, health and safety at work, overtime pay, union leaves and union contributions, etc. The most recent agreement was signed in January 2011, covering the period from 2010 to date.

- In the area of public health services no collective agreement has been signed since 2002. Employees' wages and allowances are determined by the Unified Pay Structure applied to the majority of public sector workers.⁷⁵ As regards non-wage issues, there is a long standing controversy between the union **POEDIN** (Panhellenic Federation of Public Hospital Workers) and the Ministry of Health regarding working hours, as the latter is refusing to implement the EU Directives on the maximum duration of the working week in the health sector and, as a result, the union has filed a complaint against the Minister. Other issues at stake in the public health sector, apart from wages and working hours, include various allowances, hospital mergers, pension rights, secondments, union leaves, etc.

II. PRIVATE SECTOR

- **PASIPS** (Hellenic Association of Private Kindergartens) and the New Association of Private Kindergartens and Infants Schools of Greece on behalf of the employers conclude a local sectoral collective labour agreement with **OIYE** (Federation of Hospital Institutions Associations of Greece) and the Association of Employees working in Private Kindergartens in Athens-Piraeus and suburbs. Owing to disagreements between the signatory parties, an arbitration award was issued on April 30, 2010 by the Mediation and Arbitration Service (OMED), regulating wage issues, allowances and non-wage issues. The decision by OMED stipulates wage increases, as well as the purchase of books, the participation in seminars and the introduction of two paid breaks for teachers. The arbitration award applies to teachers and their assistants, drivers, cleaning personnel, cooks and its duration covers the period from February 2010 to February 2011. All other employees that fall outside the scope of this local sectoral collective agreement are covered by the provisions (minimum rates) of the National General Collective Labour Agreement. PASIPS also concludes a collective

⁷⁵ The Unified Pay Scale was introduced by law 4024/2011 and resulted into drastic wage reductions for the 20% of public sector employees, following the abolition of most special allowances. Reductions range from 10% to 50% for the higher pay scales. Some categories of public sector employees are still exempt from the Unified Pay Scale, such as the judiciary personnel, the military personnel, the university teachers, etc.

labour agreement with **SKLE** (Association of Social Workers of Greece); the most recent agreement was signed in 2009 for a 2-year period and has now expired.

- **PEMFI** (Hellenic Union of Nursing and Care Homes) and 12 other employers' organisation representing private clinics negotiate a sectoral collective labour agreement with **OSNIE** (Federation of Hospital Institutions Associations of Greece). The last such agreement was concluded in 2009, whilst no agreement was signed in 2010 and 2011. In the autumn of 2011, the union side had recourse to the Mediation and Arbitration Service (OMED) that eventually issued an arbitration award, whereby the 20% reduction in wages requested by the employers was rejected. Instead, OMED decided a wage freeze at the level of 2009 rates. This decision applies to the medical, paramedical, nursing, administrative and assisting personnel and covers the period from February 2011 to June 2012.
- **GSEE** is responsible for negotiating the industry-wide collective agreements at the tertiary level. The collective bargaining agenda of GSEE includes all issues that relate to the protection of workers' rights, and their working terms and conditions, in a context of respect of human dignity. So far, the National General Collective Labour Agreement (NGCLA) concluded between GSEE and the employers' organisations were negotiated every two or three years and stipulated the minimum rates for private sector employees, as well as a number of institutional, non-wage issues. The last NGCLA was signed in 2010 for a 2-year period and included small increases in the minimum rates as of July 2012. However, following the introduction of law 4046/2012 in February this year -a result of extreme pressure exerted by the troika on the Greek government, in view of concluding the 2nd bailout agreement- the provisions of this agreement were unilaterally cancelled and instead were replaced with a set of severe cuts in minimum rates (ranging from 22% to 32%), the quasi-abolition of sectoral agreements and the degradation of the mediation and arbitration process established in 1990.

Issues at stake

Issues at stake on the employers' side

Pre-school childcare

- According to PASIPS (Hellenic Association of Private Kindergartens) the most important issues that employers in the sector are facing are: the absence of homogeneous and structured labour agreements across the country; too many and heterogeneous levels of negotiations; non-wage issues downplayed; unfair competition from local government institutions and non-registered kindergartens; delays in funding.

Long-term elderly-care

- a considerable part of the care homes for the elderly functions illegally, often as residential "hotels", in order to avoid state control. Licensing of care homes is granted by the Municipality Social Services department and since 2007 has been based solely on structural and staffing criteria, with no reference to criteria relating to the quality of care provided or the residents' quality of life (see J. Triantafillou, 2011). Moreover, the supervision criteria implemented for the private care homes are more stringent than for the public ones, thus creating unfair competition between the private sector and the public sector;
- lack of unified policy and planning in the residential long-term care sector and large gaps in the public provision of long-term care for the elderly. Greece is perhaps the only European country with no policy for the long-term care of the elderly;
- there is lack of transparency in the management and a squandering of public funding, since the cost of care per bed in the public care homes amounts to € 1,500, as opposed to € 900 per bed in the private care homes.

Issues at stake on the workers' side

The major issues, at the collective, as well as at the individual level are:

- job insecurity
- wage and allowances reduction, elimination of discretionary benefits
- working conditions (working hours, health and safety at work, stress, discriminations, etc.)
- education and vocational training (very few opportunities for training and skills' improvement)
- employment rights (unpaid overtime work, severe delays in the due remuneration)

- pension rights (increase in the pension age and reduction of pensions).

These issues are encountered at the firm level, as well as at the local and the national level and they are usually addressed by collective agreements in a fragmentary way, without the appropriate support from the different levels of social dialogue.

The most important issue that could be addressed at the EU level is to ensure that social dialogue constitutes a fundamental social right and to specify the content that this right should have. GSEE considers that social dialogue between employers and employees should in no way be viewed as a social benefit. Rather, it constitutes a social right and as such it should be treated with due respect on behalf of the state authorities. Furthermore, as social dialogue is ratified at the national, European and international level, its conduct should not depend on or be obstructed because of economic considerations regarding the status of the interlocutors.

4. Future outlook

In the context of the present economic crisis, the persistent and unilateral restrictions of fundamental social rights, the austerity measures, the drastic cuts in public spending and the unacceptably low priority given to the provision of social services, are putting into jeopardy social cohesion and the indispensable safety net. The provision of social services is greatly suffering from the deregulation of labour relations, as trade unions have been deprived from the means to safeguard and promote the economic and social interests of their members. This situation is also having a serious impact on the users of social services.

The way out of the crisis cannot exclusively consist of harsh and rigid fiscal consolidation and austerity measures; in order to be effective, a rescue plan of the Greek economy should also bear in mind the fundamental values and the human rights, of which social rights are an inseparable component and ensure, through democratic procedures, the constant improvement of living and working conditions. The social objectives are inextricably linked to the economic objectives and are of paramount importance to the success of the latter. Economic cohesion cannot be dissociated from social cohesion. The deregulation of labour relations and the dismantlement of employment rights will not contribute to economic growth but to the breakdown of social cohesion, the expansion of poverty and social exclusion and the impoverishment of the country.

Future developments in the social dialogue process in the social services sector are directly influenced by developments in the Greek economy,

whose prospects are extremely bleak in view of:

- (a) the excessive demands put on Greece with the two bailout agreements, and the inability of the central administration to impose structural changes, owing to fierce resistance by vested interests, result into the further deepening of the recession and of the social tensions, entangling the economy into a vicious circle;
- (b) the continued hesitance of the EU leadership and the ECB to effectively address the euro zone debt problem (US \$ 2.7 trillion!) by issuing euro-bonds and increasing the funds of the European Stability Mechanism;
- (c) the “moralistic” and dogmatic approach by most European leaders of the EU periphery’s debt problems (a “crime and punishment” attitude);
- (d) the unfavourable broader context: widespread financial and economic crisis, world recession, weak or inexistent control mechanisms of the dysfunctional financial markets that caused the 2008 crisis, etc.

5. Concluding remarks

The role of social dialogue is crucial in ensuring the effectiveness, the quality, as well as the viability of social services, in a context of intense pressures on welfare spending. So far, collective bargaining in Greece has had a mitigating effect on social inequalities and industrial relations. Since the outbreak of the crisis, however, and following the austerity programmes imposed on Greece by the rescue plans, the socio-economic context has changed dramatically. The legislative changes and the internal devaluation policies adopted are having a profound impact on industrial relations and on the social dialogue process. The new industrial relations environment in Greece is shaped by soaring unemployment levels, staggering recession⁷⁶, and a dismantled system for collective bargaining and the resolution of labour disputes. It is also defined by the on-going political crisis and the exacerbation of social tensions. Needless to say, the prime victims of such a confrontational context are bound to be consensus, rational thinking and solidarity for the most vulnerable.

In these unprecedented and dire circumstances, the social partners at every level of consultation need to redefine their priorities, adopt a new approach to new and long-standing problems and overcome the distortions of the past. The social dialogue process needs to re-start on a new basis of mutual respect, rather than mistrust, and a consensual rather than confrontational attitude, aiming at a synthesis of diverging views, rather than the satisfaction of petty and short-sighted considerations, or the postponement of problems and the shifting of the

⁷⁶ A cumulative recession of 14% since 2008 and a further -6.5% expected in 2012.

burden to the future generations.

The European level of social dialogue could, under normal circumstances, play a key role in promoting understanding between the different stakeholders and addressing the huge challenges faced by the Greek industrial relations system. However, the fact that financial considerations at the EU level have taken predominance over social considerations and the '*acquis communautaire*' is no longer an unchallengeable certainty, leaves little room for initiatives in this direction. Unless the EU leadership realises that the fate of European social dialogue is closely linked to the fate of the European Social Model; if the latter is put into jeopardy, there is no air for the former to breathe.

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APPENDIX I.

Table 1
Basic economic indicators
2007-2011

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|--|--------|--------|--------|--------|--------|
| GDP change (at constant 2005 prices) | + 3.0% | -0.2% | -3.2% | -3.5% | -6.9% |
| GDP at current prices (billion €) | 222,8 | 232,9 | 231,6 | 227,3 | 215,1 |
| fiscal deficit | 6.8% | 9.8% | 15.6% | 10.3% | 9.1% |
| current account balance | -14.6% | -14.9% | -11.1% | -10.1% | -9.8% |
| government debt (as % of GDP) | - | 113% | 129,4% | 145,0% | 165,3% |
| unemployment rate (annual average) | 8.3% | 7.6% | 9.5% | 12.5% | 17.7% |
| unemployment rate (December to December) | 8.9% | 8.9% | 10.2% | 14.8% | 21.0% |
| ▪ men | 6.1% | 6.5% | 6.9% | 11.9% | 17.7% |
| ▪ women | 13.0% | 12.2% | 14.8% | 18.7% | 25.3% |
| youth unemployment (Dec.) | 24.5% | 26.3% | 28.9% | 39.0% | 51.1% |
| ▪ 15-24 | 12.7% | 11.6% | 13.7% | 21.0% | 28.7% |
| ▪ 25-34 | | | | | |

Source: EL.STAT. (Hellenic Statistical Authority), *Selected economic indicators, 2001-2011*

APPENDIX II.

Project PESSIS
“Promoting employers’ social dialogue in the social services’ sector”
National Workshop with social partners’ organisations
Athens, March 28, 2012

The aim of the national workshop, organised by the national partner “Panagia Eleousa Workshop” and the national researcher “National Centre for Social Research”, was twofold:

1. To introduce the PESSIS Project to the stakeholders and raise awareness of the potential for social dialogue at the European level.
2. To gather information from the stakeholders about their experience of social dialogue, the structures that exist, existing collective agreements and the resources that the stakeholders have available to develop social dialogue at the EU level.

1. Participants in the workshop

An invitation was sent, along with a brief presentation of the project and the basic question guide, slightly adjusted to the national context, to 25 stakeholders from the central and regional administration, the private sector and NGOs involved in the provision of social services to vulnerable groups. Although the turn up of the private sector and the NGOs was satisfactory, this was not the case with the response from the central government and the trade unions. Those that eventually participated in the meeting include the following stakeholders:

(a) Employer organisations

For-profit sector:

- Hellenic Association of Private Kindergartens (PASIPS), Mr. G. Stathopoulos, Vice-President of the Board of Directors
- Hellenic Union of Nursing and Care Homes (PEMFI), Mr. St. Prosalikas and Mr. P. Kouvatseas, President and Vice-President of the Board of Directors respectively

Not for profit sector:

- KLIMAKA, Ms O. Theodorikakou, Gen. Secretary of the Board of Directors
- ARGO, Mr. M. Theodoroulakis, President of the Board of Directors
- PETAGMA, Ms P. Papanikolopoulou, Scientific Director
- THEOTOKOS, Ms Aik. Katsouda
- ESTIA, Mr. V. Kassimatis

(b) Government (national, regional, provincial, municipal) departments:

- Union of Regions of Greece (ENPE), Ms L. Vassilakou, sub-Head of Attica Region

(c) Trade Unions:

- GSEE (General Confederation of Greek Workers), Ms E. Vahlava-legal advisor

2. Findings of the workshop

A bleak picture of the current situation prevailing in the social services sector and its future outlook was drawn by all participants. The main sources of this widespread pessimism are: (a) the dire economic situation that Greece is facing, as a result of the successive austerity programmes and the drastic public spending cuts, that have an adverse impact on the already heavily under-funded social welfare sector; (b) the poor quality of the central administration services and the excessive red tape involved in undertaking any business initiative; (c) the weak social dialogue tradition, further undermined by the recent legislative changes that impose extensive unilateral pay cuts, and abolish a series of long-standing employment rights in both the private and public sector; and (d) the absence of a plan and a vision for the future, but also of a discernible exit from the present stalemate. The main points made by the participants during the vivid and constructive discussion, are presented in the Swot analysis below. It is interesting to note, that none of the stakeholders present made a single reference to any positive features (strengths) inherent in the social dialogue process in the social services' sector.

On the *private sector employers'* side it was pointed out that perhaps the most important problem that their sector is facing stems from the unfair competition from public social services, but also from non-registered private and municipal social services (namely kindergartens and elderly-care homes). The unfair treatment is manifested not only in the differential cost of services provided but most importantly in the strict controls and the close monitoring imposed on private social services, as opposed to the absence of similar procedures for the municipal and public sector services. The institutional framework, they added, is very complicated and fragmented, whilst the registry of welfare organisations is outdated and totally unreliable, thus providing a distorted picture of the sector. Finally, as regards collective bargaining, the two employers' associations complained about the poor quality of their interlocutors, their often intransigent and confrontational attitude and the limited agenda.

The participants from the *non-profit private sector* (NGOs), on their part, stressed the lack of adequate funding from the state, as a result of drastic cuts (as much as by 2/3) in their budgets, causing considerable

delays in the payment of employees' wages and jeopardising the quality of their services. They also added the chronic problem of under-staffing of their organisations and their absence from the decision-making bodies. As regards collective bargaining procedures, it is not clear whether the NGOs have the employer status, as they do not own the organisations that they represent. Nonetheless, they made it clear that there is no sectoral collective agreement for the personnel working in NGOs and that there exist different levels of negotiation, depending on whether the employees are working in a public law or a private law legal entity.

The sole *union* representative made some very constructive remarks:

- social services are clearly designated as a low priority issue in the recent 2nd bailout agreement concluded between the troika and the Greek government;
- there is a huge social dialogue deficit, as well as a trust deficit among the social partners;
- the collective bargaining agenda is mostly restricted to wage issues, ignoring other important non-wage issues;
- the central government unilaterally imposed, through legislative changes and ministerial decrees, the dissolution of sectoral collective agreements, drastic cuts in minimum wages and the abolition of long-standing employment and social rights. This is likely to lead to a complete breakdown of the social dialogue process, especially at the sectoral level, limiting its impact to the company level;
- social dialogue can become a tool of social justice, by providing, for example, a set of common evaluation criteria for both the public and the private sectors.

Finally, the representative of the *Regional Government*, the sub-Head of the Attica Region, pointed out the lack of co-operation and co-ordination between the competent ministries in dealing with the provision of social services, the absence of an official interlocutor on behalf of the employees working in public social services, and the controversial role of regional governments in the social dialogue process, as they do not have a mandate to negotiate wages, their role being limited to assessing the compliance of documents with the law.

3. Workshop assessment

As previously pointed out, the two main stakeholders representing the private sector providers of social services (pre-school childcare and elderly-care homes) showed great interest in the research, actively participated in the workshop and provided the research team with useful primary data (in the case of childcare). Representatives of NGOs also showed a great interest in the research and engaged themselves in the

discussions⁷⁷, although they were unable to produce any hard data on the social dialogue process in the non-profit sector. On the contrary, the union response to our invitation to the workshop was very disappointing, as out of the 7 organisations contacted, only the General Confederation of Greek Workers (GSEE) representative eventually showed up and made a valuable input to the workshop meeting. Finally, on behalf of the central and local governments (4 players), only the Attica Region responded with a high profile representative.

The attendants of the meeting agreed that the social services sector is a low priority issue for government policy and this is reflected in the poor quality of social dialogue between the state and the social partners' organisations. The economic recession and the implementation of austerity policies have further exacerbated these problems. The participants also emphasized the fact that the social dialogue is restricted to wage issues, ignoring other important non-wage issues, such as the provision of quality services, the Code of Ethics between employees and the service users and the working conditions of employees. Regarding the concept of the Social Dialogue, although all the present representatives had a clear understanding of it, they agreed that the problem lies in the correct implementation of social dialogue as well as in the coordination between the parties involved.

The perspective of a better representation of the social dialogue in Europe is viewed and expected through the implementation of the conclusions of the PESSIS program. The social dialogue can be developed into a tool for social justice through planning and with proper prioritizing of needs and evaluation of services.

It is worth noting that, despite the growing (and understandable) tension between the social partners' organisations at the tertiary level, at the level of the workshop there were signs of mutual esteem between the stakeholders present and a willingness to attempt a synthesis of the diverging views and interests. In this sense, it was encouraging to see that the social dialogue process can re-start on a new basis of mutual respect, rather than mistrust, and a consensual rather than confrontational attitude, provided the interlocutors from all sides are prepared to overcome the distortions of the past.

4. SWOT analysis

| STRENGTHS | WEAKNESSESS |
|-----------|-------------|
|-----------|-------------|

⁷⁷ With the notable exception of the organisation representing the disabled persons ESAMEA, who refused to participate in the workshop meeting.

| General: | |
|-------------------------|--|
| | fragmentation and plethora of public and subsidised agencies, absence of reliable information on the number of social services organisations |
| | excessive bureaucracy and red-tape |
| | lack of co-ordination and communication between the public agencies |
| | vagueness of the institutional framework |
| | absence of a strategic plan based on the social needs |
| | squandering of resources, clientelist state criteria |
| | under-funding of social services, considerable delays in covering budget expenses and salaries (low priority issue) |
| | unfair competition from public services at the expense of private services (double standards) |
| Social dialogue: | |
| | social partners' representation deficit, lack of a reliable interlocutor on the part of the state, but also on the part of employees |
| | absence of a social dialogue and a co-decision culture |
| | state involvement in the bi-lateral wage negotiations through legislative changes and unilateral wage determination |
| | plethora of wage scales due to the multiple levels of workers' representation, but also different types of contracts |

| OPPORTUNITIES | THREATS |
|--|---|
| the social partners must engage into social dialogue in view of concluding a new collective labour | the overall dismal industrial relations environment and the dire economic situation have a severe |

| | |
|---|---|
| agreement and exerting joint pressure on the government to accept their common conclusions and recommendations | impact on the quality of social dialogue |
| union rhetoric must open up to new areas of negotiation and the social dialogue agenda must include non-wage issues as well | the welfare sector produces confrontations |
| the social dialogue process can evolve into a tool for social justice (e.g. through the application of a common set of evaluation and funding rules for both the public and the private social services sector) | problems arise from the imposed weakening of the social dialogue process: the de-facto abolition of the minimum wage stipulated by the <i>National General Collective Labour Agreement</i> leads to lower labour standards and to the elimination of the safety net |
| the future funding of social services must depend on their full and regular evaluation and the monitoring of the quality of services provided, as well as of the real cost of these services; the certification of social services, both private and social, by specialised national and European certification bodies would be a step in the right direction | danger of a further explosion of undeclared work in the social services sector if wages are significantly reduced |
| involvement of other stakeholders, as well as of the services' users, in the social dialogue process | disappearance of non-wage issues from the collective bargaining agenda, extremely restricted agenda |
| the individual must become the object of the social dialogue | danger of a breakdown of negotiations, as employers are unwilling to conclude any new sectoral collective agreements |
| full use of funding available from the National Strategic Reference Framework for the continuation of the operation of social structures (childcare and elderly-care) | the recent legislative provisions imposed by the troika lead to an internal breach between employers and employees, but also intensify the unfair competition between private firms providing social services |
| need for a single regulatory framework applicable to all service providers, without exceptions, such as the local government institutions, NGOs and the Church | |

National Report The Netherlands

CAOP



Marjolein van Dijk MSc and Dr
Gerard van Essen

SUMMARY

On behalf of the Dutch Association of Health care Providers for People with Disabilities (*Vereniging Gehandicaptenzorg Nederland, VGM*), the CAOP (*Centrum Arbeidsverhoudingen Overheidspersoneel*) (Centre for Labour Relations) Department of Research and Europe has conducted a study into the organisation and structuring of social dialogue within the Dutch social service sector. The study is part of a project called PESSIS (Promoting Employers' Social Services Organisations In Social Dialogue), in which data is collected on the existence of, activities performed by, and organisational structuring of social dialogue in the social service sectors in eleven European countries. The PESSIS project is a first step towards the establishment of a European sectoral committee for social dialogue in which national social service sector employer- and employee organisations will be represented.

The PESSIS project poses four core research questions:

1. How large is the social service sector in terms of the number of employees as well as the number of employers?
2. What is the scope of collective labour agreements in the social service sector in terms of the numbers of employers and employees?
3. How many social service employers are involved in social dialogue and, at which levels?
4. What are the major occupational issues and, at which levels?

Each of the research questions has been allocated one Chapter in this report. Below is a brief summarisation of the answers to the research questions.

The Dutch social service sector

The Netherlands does not have a 'social services sector' *per se*. The social service sector actually falls under the Dutch health care and welfare systems, also called the 'health and welfare' sector. This sector encompasses more branches than those actually used for this study. Representatives of the PESSIS project have therefore decided to restrict the number of branches of the social service sector to be studied to three: care of the disabled, care of the elderly, and child care.

Care of the disabled

The Dutch system of care of the disabled offers care and services to persons who have mental, physical, sensory or multiple handicaps. A total of 525 enterprises were active in this branch in 2010. Nearly 75 percent of the enterprises involved in caring for the disabled have 10 employees or less. Employment opportunities in caring for the disabled have grown over the past few years; there were 164,800 positions held by employees in 2010. The Dutch Association of Health care Providers for People with Disabilities (*VGM*) is the employer organisation responsible for care of the disabled. There is also a trade organisation called *MEE*

("join") *Nederland*. Based on membership, the *VGN* comprises 95.6 percent of the branch and *MEE Nederland*, 2.1 percent.

Care of the elderly

In the Netherlands, the care of the elderly falls under the branch called *VVT (Verpleeghuizen, Verzorgingshuizen en Thuiszorg)* (nursing homes, retirement homes and home care). Also included in this branch are the postnatal care programmes and *jeugdgezondheidszorg* (well-child screening of children 0-4 years of age). Employees included in this branch, therefore, provide services to several target populations. In 2010, there were 125 nursing-home organisations, 360 retirement homes and 1,150 enterprises involved in home care. Of all three social service branches, the *VVT* branch offers the most employment opportunities. There were 443,300 positions filled by employees (256,200 full-time equivalents or FTEs). There are two employer organisations in the Netherlands responsible for the *VVT* branch; the largest is *ActiZ*, which represents 73 percent of the nursing homes, retirement homes and home-care providers. *Branchebelang Thuiszorg (BTN)* (home-care branch advocacy group) is a smaller employer organisation for entrepreneurs in home care and postnatal care; it has 90 members.

Child care

The occupational group providing child care is separated into three different forms: daycare for children 0-4 years of age, before- and after-school care for children 4-13 years of age, and child-minding at home for children 0-13 years of age. In 2010, a total of 2,800 enterprises existed in this branch. Employment opportunities in child care have increased considerably over the past few years. There were 86,000 positions filled by employees (48,700 FTEs) in 2010. *Brancheorganisatie Kinderopvang (Branch Organisation for Child Care)* is the only national employer organisation responsible for child care and has well over 1,100 members, representing some 80 percent of total employment in the branch.

Figures on the compilation of employment opportunities based on gender show that the positions in all three branches are largely held by women: 82.6 percent in care of the disabled, 91.5 percent in nursing and retirement homes, 93.9 percent in home care and 92.6 percent in child care. The branch in which the highest percentage of individuals of foreign origin is employed is child care (15.8 percent); this is followed by the *VVT* branch with 12.7 percent and subsequently, the group caring for the disabled with 8.5 percent. Figures on the compilation of employment opportunities based on age reveal that sustainable employability of older employees is an important topic in terms of caring for the disabled and in the *VVT* branch. The average age of personnel caring for the disabled rose to 40 years in 2009. In nursing and retirement homes, the average age of employees is 41 years; this figure is 43 years in the home care branch. The child care branch is much less susceptible to the effects of an

ageing workforce. The average age of child-care employees is 35 years.

Collective Labour Agreements

In the Netherlands, the Dutch Collective Labour Agreement Act has been in force since 1927. It regulates those authorised to draw up a collective labour agreement (CLA) and those bound to a CLA, among other things. It is possible to establish generally-binding CLA stipulations in the Netherlands. By having the CLA-stipulations declared generally binding, they will initially cover all employers and employees falling under the scope of work that is regulated by the relevant CLA.

All three social service branches have drawn up a CLA. The CLA covering carers of the disabled is valid from 1 March 2011 to 1 March 2014. The CLA was drawn up by the employer organisations the *Dutch Association of Healthcare Providers for People with Disabilities, VGN(VGN)* and *MEE Nederland* and the employee trade organisations *Abvakabo FNV, CNV Publieke Zaak, NU'91* and *FBZ*.

There is no separate CLA for carers of the elderly. Elderly care falls under the CLA for Nursing Homes, Retirement Homes and Home Care, the *VVT* branch. The CLA for the *VVT* runs from 1 March 2010 to 1 March 2012. The CLA was drawn up by employer trade organisations *ActiZ* and *BTN* and the employee trade organisations *Abvakabo FNV, CNV Publieke Zaak, NU'91* and *FBZ*. Negotiations for a new CLA started in February of 2012. The last CLA that was agreed upon by the employer- and employee trade organisations ran from 1 May 2010 to 1 January 2012. The CLA was drawn up between the employer organisations *Branchevereniging Kinderopvang* (an employer organisation for the child care branch) and *MOgroep [Maatschappelijke Ondernemers Groep]* Child Care (an employer organisation for the child care branch) and the employee trade organisations *Abvakabo FNV, CNV Publieke Zaak* and *Vakbond de Unie*. The employer- and employee organisations have been negotiating a new CLA since December of 2011. Appendix 1 of this report summarises the main provisions laid down in all three CLAs.

Employer involvement in social dialogue

In the Netherlands, social dialogue not only takes place between the employer and the employee. Social dialogue in the Netherlands is considered to be a broader activity in that it includes all forms of negotiation as well as consultation and the exchange of information on socioeconomic topics. Some discussions are conducted not only by the social partners, but also in collaboration with other parties such as the government or persons from the academic arena. Social dialogue between social partners involved in the care of the disabled, the elderly and in child care takes place in the Netherlands on four different levels: national, by the health and welfare sector, at the branch level and within the facilities.

At a national level, there are a number of 'umbrella' employer organisations and confederations of trade unions. At the branch level, they represent employer- and employee organisations involved in caring for the disabled, as well as the *VVT* and those involved in child care, among others. These umbrella employer organisations and confederations of trade unions play major roles within the national platforms called the *Sociaal-Economische Raad* (SER) (The Social and Economic Council of the Netherlands) and the *Stichting van de Arbeid* (The Dutch Labour Foundation).

At the health and welfare level, social partners involved in care of the disabled, the *VVT* and in child care work together as managers of the *Zorg en Welzijn* pension fund (Pension Fund for Care and Well-Being), as managers of the Calibris Academic Centre of Expertise and in the steering committee of the research project entitled *Arbeidsmarkt Zorg en Welzijn* (The Labour Market in the Health and Welfare Branch) (The Labour Market in the Health and Welfare Branch).

At the branch level, various committees and organisations discuss new policies, projects, activities and CLAs in collaboration with social partners involved in the care of the disabled, the elderly and in child care. For example, CLA negotiating sessions are held during which social partners negotiate with one another so as to be able to draw up a new CLA. A different kind of social dialogue, fairly unique to the Netherlands, pertains to the discussions on labour-market funds. During such discussions, members of employer- and employee organisations sit around the Table to collectively discuss how they can stimulate and improve the efficiency of their relevant branch's labour market. There is the *Stichting Arbeidsmarkt Gehandicaptenzorg (StAG)* (labour-market association for the care of the disabled). Care of the elderly falls under the *Stichting Arbeidsmarkt- en Opleidingsbeleid Verpleeg-, Verzorgingshuizen en Thuiszorg (A+O VVT)* (association for policies on the labour market and education related to nursing homes, retirement homes and home care). The child care branch is also represented in a larger fund, the *Fonds Collectieve Belangen (FCB)* (collective interests fund), the labour-market fund established by and for employers and employees involved in welfare, public services, care of youth and child care.

At the facility level, staff participation is regulated by the *Wet op de ondernemingsraden* (WOR) Works Councils Acts. Social dialogue takes place by means of talks between the employer and works (personnel) council/employee representative. The CLAs for carers of the disabled, child care employees, nursing- and retirement-home employees and home caregivers contain guidelines on how staff participation must be organised within a facility.

Major occupational issues in caring for the disabled, the elderly and in child care

Various factors currently influence the labour markets related to caring

for the disabled, the elderly and child care. The Netherlands must implement many austerity measures in order to continue meeting Europe's budgetary rules. In the health and welfare sector, the government is investing on the one hand (e.g. through the covenant called *Investeringen Langdurige Zorg* [*investments in long-term health care*]); however, cutbacks and system revisions have been announced (e.g. in child care). Other important developments affecting the labour markets related to the three social service branches are the ageing population and fewer younger employees. An ageing population results in a greater need for health care services, which in turn leads to an increased demand for caregivers for the disabled and elderly. Having fewer younger employees leads to a decline in the need for child care. At the same time, worries exist about the influx of new workers due to fewer younger employees whilst the average age of the currently employed continues to rise. In 2011, because of the ageing population, an agreement was made between Dutch employer- and employee organisations on revisions to the pension system. This revision includes raising the retirement age to 66 years in 2020.

In addition to global factors affecting the health and welfare sector, there are also labour issues specific to the three social service branches. Current occupational issues in the branch involved in caring for the disabled are sustainable employability, the influx and retention of personnel, the improvement of working conditions and the stimulation of professionalism. Occupational issues currently affecting the elderly care branch are sustainable employability, influx and retention of personnel and flexibilisation in health care. The child care branch is dealing with different developments that are all putting pressure on it. These developments include government cutbacks and topics related to quality assurance. The major core themes for this branch include maintaining the current employment opportunities and improving quality and working conditions.

1. INTRODUCTION

Purpose of the study

Although the social service sector represents a considerable part of the European population, it does not yet take part in European social dialogue. This is partly because employers in some Member States are not represented on a national level and do not have recognised roles in social dialogue on a national level.

The PESSIS project is a first step towards the establishment of a European sectoral committee for social dialogue in which national social service sector employer- and employee organisations will be represented. In order to accomplish this successfully, it will be necessary to establish a European-level platform that includes national employer organisations from a significant number of Member States. The aim of the PESSIS project is to collect information on the existence and organisation of, and the activities related to, social dialogue in the social service sectors from eleven countries.

On behalf of the Dutch Association of Healthcare Providers for People with Disabilities, (*Vereniging Gehandicaptenzorg Nederland, VGN*), the *CAOP* Department of Research and Europe has conducted a study into the organisation and structuring of social dialogue within the Dutch social service sector.

In terms of this study, the 'social service sector' is considered to be comprised of the care for the disabled, the elderly and child care. The European Association of Service Providers for Persons with Disabilities (EASPD) will be managing the project on behalf of several European associations. For this project, the *VGN* is representing the sectors listed as national partners. The *CAOP* is conducting the study, as national partner, on behalf of the *VGN*.

Research questions

The core four research questions in this study are:

1. How large is the social service sector in terms of the number of employees as well as the number of employers?
2. What is the scope of collective labour agreements in the social service sector in terms of the numbers of employers and employees?
3. How many social service employers are involved in social dialogue and, at which levels?
4. What are the major occupational issues and, at which levels?

At the request of the EASPD, the social service sector will be defined as care for the disabled, the elderly and child care.

Study objectives

The aim of the study is to provide insight into qualitative and quantitative information about the relevant labour markets and the social dialogue taking place in the sectors involved in caring for the disabled, the elderly and child care. In accordance with the project assignment, the emphasis will be placed on the employers' perspectives.

From a European perspective, the objective is to acquire insight into the existence, functioning, and organisation of social dialogue taking place in the branches involved in caring for the disabled, the elderly and in child care in 11 European countries. The final overview may enable European countries to be able to share good practical examples, experiences, various forms of social dialogue and collective activities with one another.

Conduction of the study

On behalf of the *VGN*, the *CAOP* has conducted the following activities aimed at investigating the social dialogue taking place in the branches caring for the disabled, the elderly and child care:

1. A 'Skype' conference call with the European project coordinator
(held on 10 February 2012)
2. Collecting all necessary information by means of desk research
3. Collecting supplemental information to fill in the gaps
(sometimes through telephone interviews with stakeholders)
4. Analysing the data and writing a draft report

In addition, the *VGN* discussed the draft report with major stakeholders (social partners involved in caring for the disabled, the elderly and child care) at a few national committee meetings. The outcomes of these discussions will be incorporated into the final report.

Desk research

Based on existing resources, quantitative and qualitative information was gathered on the labour markets and the structure of social dialogue that is taking place in the branches involved in caring for the disabled, the elderly and child care. The resources used to collect information include:

- Policies/action plans and information located on the websites of employer- and employee organisations that are active in the three branches: the employer organisations *ActiZ*, *Branchebelang Thuiszorg Nederland (BTN)*, *Vereniging Gehandicaptenzorg Nederland (VGN)* and *Brancheorganisatie Kinderopvang (Branch Organisation for Child Care)* as well as the employee organisations *Abvakabo FNV*, *CNV Publieke Zaak*, *FBZ* and *NU'91*
- Policies and parliamentary papers from the *VWS (Ministerie van Volksgezondheid, Welzijn en Sport)* (Ministry of Health, Welfare and Sport) and *SZW (Ministerie van Sociale Zaken en Werkgelegenheid)* (Ministry of Social Affairs and Employment)
- The CLAs, letters of intent and negotiators' agreements from

- social partners involved in the three branches
- Any covenants that involve social partners
- Policies/action plans and information located on websites of the labour funds *A+O VVT* (includes care of the elderly), *StAG* (includes care of the disabled) and *FCB WJK* (*Welzijn en Maatschappelijk Dienstverlening, Jeugdzorg en Kinderopvang*) (Welfare and social services, Youth Care and Child Care) for child care
- Policies/action plans and information on the Calibris website
- The outcomes of the research project entitled *Arbeidsmarkt Zorg en Welzijn* (*The Labour Market in the Health and Welfare Branch*) (www.azwinfo.nl) as well as from research facilities (such as *CBS* [Centraal Bureau voor de Statistiek = Statistics Netherlands] and *Panteia*)
- Research into the social service sector's labour market and labour relations

Reading guide

The following Chapter s will cover the answers to the four research questions. Chapter 2 of this report will explore the Dutch social service sector and the scope of branches caring for the disabled, the elderly and child care, in terms of the numbers of employers as well as employees. Diverse demographic personnel-related characteristics will be discussed. In Chapter 3, the three collective labour agreements (CLAs) will subsequently be discussed (from the branches caring for the disabled, the elderly and child care, respectively), as well as their reach. Employer involvement in social dialogue at different levels is the topic of Chapter 4. Social dialogue taking place in the social service sector will be addressed on four levels: nationally, in the health and welfare sector, at the branch level and at a facility level.

The final research question will be addressed in Chapter 5 in which major occupational issues currently existing in the social service sector, specifically in branches caring for the disabled, the elderly and child care, will be presented. The resources consulted can be found in the list of resources. And lastly, all important supplementary information has been included in the appendices.

2. THE DUTCH SOCIAL SERVICE SECTOR

In this Chapter, an answer to the first research question of the study will be provided: *How vast is the social service sector in terms of the number of employees as well as the number of employers?* What the Dutch social service sector is comprised of will be explained in first paragraph. Then, the branches involved in the care of the disabled, the elderly and child care will be described:

- The types of services the branch provides
- How many active facilities the branch has
- Which national employer organisations are active for the

branches

- What the scope and composition of employment opportunities is in terms of sex, ethnicity and age
- How the branches are funded

Description of the social service sector in the Netherlands

Within the context of the PESSIS project, the EASPD postulates that the social service sector in Europe is not an easily demarcated sector. The EASPD has therefore chosen to restrict the social service sector to three branches for this study: care for the disabled, the elderly and child care.

The Netherlands does not have a 'social services sector' per se. The social service sector actually falls the Dutch health care and welfare systems, also called the 'health and welfare' sector. This sector encompasses more branches than the three actually taken into account for this study. The health and welfare sector consists of the following branches:

- University (Academic) Medical Centres
- General and speciality hospitals (including rehabilitation clinics)
- Nursing home care, retirement home care and home care (*VVT*), including postnatal care
- Care of the disabled
- Mental health care (*GGZ = geestelijke gezondheidszorg*), including addiction rehabilitation
- Community services and welfare (*Welzijn en maatschappelijke dienstverlening (W&MD)*)
- Youth care
- Child care

The branches not included in this study have been structured and represented in a way comparable to the three branches focused on in this project. For example, these branches have also all drawn up CLAs between their social partners and are organised in a similar way in terms of social dialogue.

The website www.thesauruszorgenwelzijn.nl by *Movisie* defines the de social service sector as the welfare sector. This sector is comprised of different types of services:

- Sociocultural services
- Stimulation of occupational participation
- Nursery school services
- Youth welfare services
- Welfare services for minorities, refugees and asylum-seekers
- Social work and social services
- Shelters
- Elderly welfare services
- Emancipating, advocating, and advising specific target populations as well as looking after their interests and fighting

- discrimination
- Facilitating personal development, training and advising

Care of the disabled

The branch involved in caring for the disabled offers health care and services to individuals with mental, physical, sensory or multiple handicaps. From analyses of data from the labour market fund for care of the disabled, the *StAG*, it appears that a total of 525 enterprises were active in this branch in 2010. Of these, almost three-quarters have 10 or fewer employees (*StAG*, 2012).

Table 2.1 Number of enterprises involved in caring for the disabled in terms of size of enterprise (rounded-off to nearest 5).

| <i>Active employees</i> | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------------|------|------|------|------|------|
| 1 | 40 | 65 | 80 | 95 | 125 |
| 2 to 10 | 70 | 110 | 145 | 210 | 265 |
| 10 to 50 | 30 | 35 | 25 | 30 | 30 |
| 50 to 100 | 20 | 15 | 15 | 10 | 10 |
| 100 or more | 115 | 110 | 105 | 105 | 95 |
| Total number of enterprises | 275 | 335 | 370 | 450 | 525 |

Source: CBS Table: Enterprises; economic activity, size and legal type of business entity

The number of enterprises has increased considerably over the past five years due to a rise in the number of small organisations employing 10 persons or fewer. The number of intermediate and large organisations is declining. This may, in part, be the result of mergers.

National employer organisations involved in care of the disabled

The Dutch Association of Healthcare Providers for People with Disabilities (*VGM*) is the employer organisation responsible for the care of the disabled. The *VGN* is the branch organisation for providers of care and services to persons with a disability. A total of 162 employers were members of the *VGN* in 2010 with a combined total of 157,626 contracted employees.

In addition, the branch association called *MEE Nederland*, which is comprised of 22 regional *MEE* subsidiaries, employed a total of 3,500 employees in 2010¹. *MEE* provides support to persons with disabilities in the areas of education and development, learning and working, community and living arrangements, legislation and money matters.

According to *Panteia* (2012), there were 164,800 employees caring for the disabled in 2010 in the branch as a whole. This means that the *VGN* and associated members make up 95.6 percent of the branch and *MEE*

¹ Data from the Application to the Ministry of Social Affairs and Employment for the CLA Declared Generally Binding: Care of the Disabled 2011-2014 .

Nederland, 2.1 percent.

Scope of employment opportunity

Employment opportunities in the care of the disabled have increased over the past few years. In 2009, those caring for the disabled numbered 158,700 for 98,870 FTEs (see Table 2.2). The number of positions increased an average of 3.2 percent per year over the 2004 – 2009 period. According to *Panteia* (2012), the number of employees rose further in 2010 to 164,800.

Compilation of employment opportunities in terms of gender

In 2009, the percentage of female providers of care for the disabled was 82.6 percent of the total number of employees. The contribution of women as carers of the disabled has grown an average of 0.4 percent per year since 2004.

Table 2.2 Data on employees in the branch involved in care of the disabled

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Number of employee positions | 135,831 | 140,614 | 141,730 | 148,250 | 152,790 | 158,700 |
| Number of FTEs | 85,084 | 85,668 | 88,680 | 92,570 | 95,860 | 98,870 |
| Proportion of women | 81.1% | 81.5% | 81.8% | 82.4% | 83.1% | 82.6% |
| Proportion of foreign origin* | 8.5% | 8.5% | 8.4% | 8.4% | 8.4% | - |
| Mean age | 38 | 39 | 39 | 39 | 39 | 40 |
| Proportion 50+* | 17.3% | 19.2% | 20.6% | 22.7% | 24.1% | 25.2% |

Source: Labour market analysis: care of the disabled 2011; * www.azwinfo.nl

Compilation of employment opportunities in terms of ethnicity

Approximately 8.5 percent of the employees caring for the disabled are of foreign origin, as Table 2.2 reveals. This is based on the CBS's loose definition². This percentage is relatively low in comparison to the percentage of foreign employees working in the *VVT* and in child care. In

² Netherlands Statistics (CBS) defines a foreigner as a person who has at least one parent who was born in a foreign country. According to CBS, 11 percent of the Dutch population is of non-Western, foreign origin. This group's origin lies in countries in Africa, Latin America, Asia (excl. Indonesia and Japan) and Turkey. Additionally, 9 percent of the Dutch population is of foreign Western origin. This group's origin lies in countries in Europe (excl. Turkey), North America, Oceania, Indonesia and Japan.

fact, the proportion of employees of foreign origin is 12.7 percent in the *VVT* and even 15.8 percent in child care.

Compilation of employment opportunities in terms of age

The average age of personnel caring for the disabled rose to 40 years in 2009. The contribution of individuals over 50 years of age has also risen over the past few years. The average proportional increase was 7.8 percent per year between 2004 and 2009. *Prismant* estimates that the proportion of employees over 50 years of age will increase even further to one-third of this group in 2018 (van der Windt et al, 2009a). The sustainable employability of older employees will become an important topic over the next few years.

Funding the care of the disabled

Long-term care and support (including care of the disabled) are funded under the *Algemene Wet Bijzondere Ziektekosten (AWBZ)* (General Exceptional Medical Expenses Act). The *AWBZ* covers expenses not falling under health insurance policies and which could not be paid for by most of the general population. Any Dutch person may make use of this fund. Such care and support can either be provided at home or at a facility. Examples of this type of care include:

- Assistance in activities of daily living
- Support
- Treatments
- Interpreters for the deaf
- Short-stay admission
- Grooming
- Lending out medical supplies
- Accommodation

Besides the *AWBZ*, another important piece of legislation addressing the funding of care for the disabled falls is the *Wet maatschappelijke ondersteuning (Wmo)* (Social Support Act). This law insures that persons with a limitation (the elderly, disabled persons or those with mental disorders) receive provisions, help and support enabling them to live independently. Housekeeping is, for example, funded under the *Wmo*. The objectives of the *Wmo* are that every person should be able to participate in society and to live independently for as long as possible. Responsibility for execution of the *Wmo* lies at the municipal level.

According to the *CBS* (2011b) the cost of caring for the disabled rose from 4.3 billion euros in 2001 to 7.9 billion euros in 2010.

Care of the elderly

In the Netherlands, the care of the elderly falls under the branch called *VVT (Verpleeghuizen, Verzorgingshuizen en Thuiszorg)* (nursing homes, retirement homes and home-care activities) Also included in this branch are postnatal care programmes and *jeugdgezondheidszorg* (well-child

screening of children 0-4 years of age). Employees included in this branch, therefore, provide services to several target populations. There is no information available within this branch specific to only the care of the elderly. That is why information about the *VVT* branch is being used for this study.

The *VVT* branch is comprised of the following types of facilities and services:

- Grooming and nursing
- Housekeeping
- Support for mothers/well-child care (0-4 years) and postnatal care
- Information on nutrition and dietary advice
- The lending out of medical aids and home-care shops
- Education on health child-rearing

CBS data reveal that the number of nursing homes in the Netherlands has remained relatively stable over the past few years (see Table 2.3). There were 125 nursing-home enterprises in 2010. However, the number of retirement homes decreased, partly due to mergers, from 480 in 2006 to 360 in 2010. The number of home-care enterprises has increased: in 2010, the Netherlands had 1,150 enterprises involved in the provision of home care, almost 70 percent more than in 2006. Growth was predominantly found at the level of the smaller home-care enterprises.

Table 2.3 Number of enterprises in the VVT branch in terms of size of enterprise (rounded-off to nearest 5).

| VVT Branch | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| Nursing homes | 130 | 130 | 130 | 125 | 125 |
| Retirement homes | 480 | 455 | 415 | 385 | 360 |
| Home-care enterprises | 680 | 795 | 880 | 1,025 | 1,150 |

Source: *CBS* Table: Enterprises; economic activity, size and legal type of business entity

Employer organisations responsible for the VVT

There are two employer organisations in the Netherlands that support the *VVT* branch: *ActiZ* and *Branchebelang Thuiszorg (BTN)* (Branch Organisation for Home Care). The primary activity of both organisations is to represent members' interests to government, politicians, and advisory bodies and during negotiations. They have representatives in national committees and organisations involved in health care.

ActiZ is the employer organisation responsible for nursing-home care, retirement-home care, home care, youth health care and postnatal care. *ActiZ* has 415 members and represents approximately:

- 73 percent of nursing homes, retirement homes and home care activities

- 70 percent of health care for children 0-4 years
- 25 organisations for postnatal care which deliver 70 percent of such care

Enterprises represented by *ActiZ* have more than 400,000 active employees.

Branchebelang Thuiszorg (BTM) is the employee organisation representing entrepreneurs involved in home care and postnatal care. *BTM* represents approximately 90 member groups active in home care, postnatal care and mediation³.

Scope of employment opportunity

Employment opportunities in the *VVT* branch have increased over the past few years. Table 2.4 demonstrates that there were 427,000 positions filled by employees in 2009 (246,800 FTEs). Between 2004 and 2009, the number of jobs grew at an average of 2.6 percent per year. According to *Panteia* (2012), the number of employees increased further in 2010 to 443,300 (256,200 FTEs).

Table 2.4 Data on employees in the *VVT*

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|-------------------------------------|---------|---------|---------|---------|---------|---------|
| Number of employee positions | 375,230 | 380,000 | 406,000 | 400,000 | 411,000 | 427,000 |
| Number of FTEs | 216,896 | 219,653 | 234,682 | 232,558 | 240,351 | 246,821 |
| <i>Nursing and retirement homes</i> | | | | | | |
| Proportion of women | 91.0% | 91.2% | 91.2% | 91.3% | 91.5% | - |
| Proportion of foreign origin* | 12.2% | 12.2% | 12.5% | 12.6% | 12.7% | - |
| Mean age | 40 | 41 | 41 | 41 | 41 | - |
| Proportion 50+ | 23.4% | 25.0% | 27.2% | 28.5% | 30.2% | |
| <i>Home care</i> | | | | | | |
| Proportion of women | 94.7% | 94.6% | 94.2% | 93.9% | 93.9% | - |
| Proportion of foreign origin | 11.1% | 10.8% | 11.9% | 12.0% | 12.6% | - |
| Mean age | 41 | 42 | 42 | 42 | 43 | - |
| Proportion 50+* | 27.0% | - | - | 30.4% | 32.6% | - |

Source: www.azwinfo.nl; * Labour in Health Care and Welfare 2009 (van

³ Source: <http://www.arbocatalogusvvt.nl/algemene-informatie>.

der Windt, van der Velde & van der Kwartel, 2009b)

Compilation of employment opportunities in terms of gender

The vast majority of employees working in the *VVT* branch are female. In nursing and retirement homes, 91.5 percent of employees are female and in home care, 93.9 percent.

Compilation of employment opportunities in terms of ethnicity

The proportion of persons of foreign origin working in the *VVT* branch has shown a consistent slight increase: in 2008, 12.7 percent in nursing and retirement homes and 12.6 percent in home care. According to labour a market analysis of the *VVT* branch (*A+O VVT*, 2009) non-Western foreigners (of Turkish and Moroccan origins) are underrepresented in the *VVT* branch as well as in registered nursing and practical nursing programs.

Compilation of employment opportunities in terms of age

Mean employee age rose slightly and is currently 41 years in nursing and retirement homes and 43 years in home care. The proportion of individuals over 50 years of age remains just under one-third of the total number of employees in both branches: in nursing and retirement homes, 30.2 percent is over 50 years; in home care, 32.6 percent. It is expected that the proportion of employees over 50 years of age working in the *VVT* branch will increase further to 40 percent (van der Windt, et al, 2009b)

Funding the care of the elderly

Elderly care, just as care of the disabled, is funded under the *AWBZ* and *WMO* (see section on care of the disabled). The *AWBZ* and *WMO* both require a co-payment from the individuals receiving assistance. The amount of the co-payment is dependent on income, age and family situation. The cost of caring for the elderly in 2001 was 9.1 billion euros and has risen to 16.0 billion euros in 2010 (*CBS*, 2011b).

Child care

The child care branch is subdivided into various forms:

- Day care for children 0-4 years of age
- Care outside of school hours for children 4 to 13 years of age (before and after school)
- Child-minding services for children 0-13 years (provided in the home setting)

The number of enterprises offering child care is shown in Table 2.5 to have risen 30 percent in the period 2006-2010. In 2010, a total of 2,800 enterprises existed in this branch. Almost three-quarters of these are relatively limited in size; fewer than 10 persons work at these

enterprises.

Employer organisations responsible for child care

Brancheorganisatie Kinderopvang (Branch Organisation for Child Care) is the only national employer organisation which advocates and represents the interests of child care organisations. Branch Organisation for Child Care came to be after a merger between the *Branchevereniging ondernemers in de Kinderopvang* (branch association for entrepreneurs in child care) and *MOgroep Kinderopvang*.

Brancheorganisatie Kinderopvang (Branch Organisation for Child Care) (2012) represents more than 1,100 members representing approximately 80 percent of the entire sector. *Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care) is involved in representation, advocacy, policy development, education, and other types of services.

Table 2.5 Number of enterprises in the child care branch in terms of size of enterprise (rounded-off to nearest 5).

| <i>Active employees</i> | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| 1 | 745 | 965 | 1,040 | 950 | 1,005 |
| 2 to 10 | 830 | 890 | 880 | 945 | 1,010 |
| 10 to 50 | 440 | 465 | 505 | 590 | 590 |
| 50 to 100 | 65 | 70 | 95 | 105 | 100 |
| 100 or more | 65 | 65 | 70 | 95 | 100 |
| Total number of enterprises | 2,145 | 2,455 | 2,590 | 2,695 | 2,800 |

Source: CBS Table: Enterprises; economic activity, size and legal type of business entity

Scope of employment opportunity

Table 2.6 reveals that employment opportunities in the child care branch have considerably increased over the past few years. The number of positions filled by employees increased from 54,700 in 2005 to 86,000 in 2010, an average growth of 11.4 percent per year.

Table 2.6 Data on employees working in the child care branch

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Number of employee positions | 54,700 | 61,800 | 71,000 | 74,000 | 80,400 | 86,000 |
| Number of FTEs | 31,600 | 35,200 | 40,600 | 42,300 | 44,800 | 48,700 |
| Proportion of women | 96% | 96% | 96% | 96% | 96% | 96% |
| Proportion of | 14.6% | 15.1% | 15.6% | 15.8% | - | - |

| | | | | | | |
|-----------------|-------|-------|-------|-------|-------|-------|
| foreign origin* | | | | | | |
| Mean age | 35 | 35 | 36 | 36 | 35 | 35 |
| Proportion 50+ | 13.4% | 14.1% | 14.4% | 14.2% | 13.9% | 14.3% |

Source: Facts and Figures 2010 Child Care Branch (FCB, 2010b), * www.azwinfo.nl

Compilation of employment opportunities in terms of gender

For several years now, almost all positions in the child care branch have been held by women. Table 2.6 demonstrates that this percentage has remained stable at 96 percent between 2005 and 2010.

Compilation of employment opportunities in terms of ethnicity

In 2008, more than 15 percent of employees working in child care were of foreign origin, as seen in Table 2.6. In comparison with the VVT branch and the branch involved in caring for the disabled, this branch has the highest percentage.

Compilation of employment opportunities in terms of age

The mean age of employees working in child care was 35 years in 2010. Compared to the VVT branch and branch caring for the disabled, the child care branch has the lowest percentage of employees over the age of 50 years. In 2010, 14.3 percent of employees working in child care was 50 years of age or older. It is, however, expected that the proportion of employees over 50 years will increase in the coming years. Depending on developments pertaining to retirement age, this proportion will increase to approximately 18 percent in 2018 (van der Windt, et al, 2009b).

Child care funding

Child care is funded by the government and by parents (*Rijksoverheid*, 2012b). Government expenditures have tripled over the past few years: from 1 billion euros in 2005 to 3 billion euros in 2010. In the Netherlands, partial reimbursement for child care is available from the government. Parents may receive reimbursement if they make use of a registered child care centre or a registered child minder. This registration and must take place in the database called *Landelijk Register Kinderopvang en Peuterspeelzalen (LRK)* (National register for child care and nursery schools). The amount of reimbursement depends on the parents' collective means-tested income and the number of children in the family. For 2012, the government has reduced the amount of reimbursement as well as the number of hours reimbursed by linking these to the number of hours actually worked.

3. Collective Labour Agreements

The second core research question of this project is: *What is the scope of collective labour agreements in the social service sector in terms of the numbers of employers and employees?*

In order to answer this primary question, the following sub-questions have been posed:

- Which social partners have been mentioned in the CLA?
- Who is defined as the employer?
- Which labour-related matters are incorporated into the CLA?
- What period of time does the CLA cover?
- When is the CLA up for renewal?

There is a specific collective labour agreement (CLA) for both the care of the disabled and the child care branch. No CLA exists for elderly care. As explained in Chapter 2, the Dutch system of caring for the elderly falls under the branch covering nursing home-, retirement-home, and home-care activities. A CLA has also been drawn up for this branch.

This chapter will initially describe how the Netherlands views a collective labour agreement and how one comes into being. The following paragraphs will discuss each sector's CLA separately in the form of sub-questions.

The Netherlands' definition of a collective labour agreement (CLA)

A CLA is considered to be the entire range of agreements between employers (or employer organisations) on the one hand, and employee organisations on the other; the agreements primarily or exclusively pertain to the terms and conditions of employment. A CLA often also contains agreements made to improve the quality of working conditions. A CLA may cover an entire branch at the national level, but also, at the regional level or one enterprise on the local level. The Dutch Collective Labour Agreements Act (*Wet op de collectieve arbeidsovereenkomst*) came into force in 1927⁴. It stipulates who is authorised to draw up a collective labour agreement (CLA) and who is bound to a CLA, among other things.

In the Netherlands, one is required to report a finalised CLA to the management of the *UAW* (*Uitvoeringstaken Arbeidsvoorwaardenwetgeving* - executory division for CLA-related legislation) of the Ministry of Social Affairs and Employment. CLA-parties that have drawn up a branch-level CLA may submit an application to have this CLA declared 'generally binding'. By having the CLA-stipulations declared generally binding they will initially cover all employers and employees falling under the scope of work that is regulated by the relevant CLA.

How a CLA comes into being in the Netherlands

When a (new) CLA needs to be drawn up, employers and employee organisations will negotiate with one another. The parties will consult their constituents prior to negotiating on topics needing discussion. Such topics may concern those left over from previous negotiating sessions, new topics, or subject matter of a technical nature. A letter of intent is

⁴ http://wetten.overheid.nl/BWBR0001937/geldigheidsdatum_14-03-2012 Wet van 24 december 1927, houdende nadere regeling van de Collectieve Arbeidsovereenkomst'

the result of such discussion, representing the employers' as well as the employees' perspectives. If several parties representing employers or employees take part in the negotiations, a collaborative letter of intent, written on behalf of all, is often attempted.

Negotiations may be suspended for a period of time if the social partners at the negotiating table cannot reach the desired collective labour agreement. Sometimes, the negotiating process can experience increased heat by demonstrations or the calling of a strike. The goal is then to get the social partners to attempt to renegotiate and find solutions for the points of disagreement. Generally speaking, parties will eventually reach an agreement. This does not mean that a CLA has immediately come into being. A negotiation agreement must first be presented to the constituents. A new CLA is born only when the majority of members of the various parties vote for the agreement. If a majority of constituents of an employee- or employer- organisation should vote against the agreement, the parties must then return to the negotiating table. It has occurred rarely that only one or two employee organisations have drawn up an agreement with the employer.

CLA for the Care of the Disabled

The CLA for the Care of the Disabled arose from the previous CLA for Hospital Services and the CLA for Short- and Long-Stay Facilities for the Handicapped. The CLA for Hospital Services was split up; the part covering the care of the disabled was merged with the CLA for facilities for the disabled.

The relevant social partners were united under the *Overleg Arbeidsvoorwaarden Gehandicaptenzorg (OAGz)* (Committee for Terms and Conditions in Caring for the Disabled). The social partners on this committee hold discussions on the preparation, negotiation and execution of the CLA.

A new CLA covering the care of the disabled was drawn up in 2011 (*VGN*, 2011). This CLA covers the period between 1 March 2011 and 1 March 2014. Parties may amend the finalised CLA during its period of validity. If none of the parties involved requests termination of the CLA in writing at least one month before its expiry date, it will be prolonged annually for a period of one calendar year. The current CLA was submitted in March 2012 to the Ministry of Social Affairs and Employment to have it declared generally binding. This means that, to date, this CLA is only valid for the labour agreements made between the employer and employees as laid down in the CLA.

Parties involved in this CLA

The CLA 'Care of the Disabled 2011 - 2014' was drawn up by the following employer organisations:

- The Dutch Association of Health care Providers for People with

- Disabilities (*VGM*)
 - *MEE Nederland*

And the following employee organisations:

- *Abvakabo FNV* (trade union)
- *CNV Publieke ZaaK* (trade union for public services)
- *NU'91* (New Union '91): a trade organisation for registered and practical nursing
- *FBZ: Federatie van Beroepsorganisaties in de Zorg* (Federation of Professional Care Organisations) and its related educational and research projects, namely:
 - *Ergotherapie Nederland (EN)* Ergotherapy Netherlands
 - *Koninklijk Nederlands Genootschap voor Fysiotherapie (KNGF)* Royal Dutch Society for Physical Therapy
 - *Landelijke vereniging voor Artsen in Dienstverband (LAD)* National Association of Physicians
 - *Nederlands Instituut voor Psychologen (NIP)* Dutch Association of Psychologists
 - *Nederlandse Vereniging van Mondhygiënisten (NVM)* The Dutch Dental Hygienists' Association
 - *Nederlandse Vereniging voor Beeldende Therapie (NVBT)* Dutch Association for Visual Therapy
 - *Nederlandse Vereniging van Diëtisten (NVD)* Dutch Dietetic Association
 - *Nederlandse Vereniging voor Dans Therapie (NVDAT)* Dutch Association for Dance Therapy;
 - *Nederlandse Vereniging voor Dramatherapie (NVDT)* Dutch Association for Drama Therapy
 - *NVO, Nederlandse vereniging van pedagogen en onderwijskundigen* Dutch Association for Pedagogues and Educationalists
 - *Nederlandse Vereniging voor Klinische Fysica (NVKF)* Dutch Association for Clinical Physics
 - *Nederlandse Vereniging voor Logopedie en Foniatrie, sectie Gezondheidszorg (NVLFG)* Dutch Association for Logopedics and Phoniatics, Health Care Division
 - *Nederlandse Vereniging voor Psychomotorische Therapie (NVPMT)* Dutch Association of Psychomotor Therapy
 - *Nederlandse Vereniging voor Muziektherapie (NVvMT)* Dutch Association for Music Therapy
 - *Nederlandse Vereniging van Orthoptisten (NVvO)* Dutch Orthoptic Association
 - *Optometristen Vereniging Nederland (OVN)* Optometrists' Association Netherlands
 - *Vereniging van Geestelijk Verzorgers in Zorginstellingen (VGVZ)* Netherlands Association of Spiritual councillors in Care Institutions

- *Vereniging Hoger Personeel Zorg (VHP Zorg)* Society of Professional Caregivers

Employers defined

In the CLA for the care of the disabled, an 'employer' is defined as a legal entity that manages a facility or accommodation whose purpose is to provide care and services to disabled persons. The following types of accommodation fall into this category:

- A facility for the care of the mentally disabled
- A facility for persons with sensory disabilities
- A facility for persons with minor intellectual disabilities
- A boarding school for children with developmental disorders
- A centre for the accommodation of the physically disabled (falls under the care of the disabled-umbrella)
- A day centre for the physically disabled
- A day centre for intellectually disabled persons
- A home-like permanent dwelling for the physically disabled
- A home-like permanent dwelling for the sensorially disabled
- A home-like permanent dwelling for the intellectually disabled
- A respite-care facility for intellectually disabled persons

In addition, facilities/accommodations whose purpose is to provide client support to persons with a limitation or chronic illness and their parents/relatives (formerly called *Sociaal-Pedagogische Diensten* - Social-Pedagogical Services) falls under the CLA for the care of the disabled. And finally: the *VGN* itself is also defined as an employer under the CLA for the care of the disabled.

CLA stipulations

Many terms and conditions of employment have been laid down in the CLA for the care of the disabled. These include the primary terms and conditions such as salary and weekly working hours, as well as fringe benefits such as time off and compensation for expenses. Of note in the CLA is the amount of attention paid to the subject of sustainable employability. For example, the preamble refers to further research into this topic by the CLA parties. In addition, the CLA contains extensive information on the *Persoonlijk Budget Levensfase* (age-related personal employee budget for extra time off or compensation), the stimulation of good health practices for employees and a system of multiple-choice terms and conditions.

Appendix 1 contains an overview of each chapter in the CLA for the Care of the Disabled 2011 - 2014 and the main provisions falling under each.

CLA for nursing homes, retirement homes and home care

As mentioned in Chapter 2 of this report, elderly care in the Netherlands falls under the broader sector responsible for care in nursing homes, retirement homes and home care. Postnatal and youth care also falls under home care.

In the *Sociaal Overleg Verpleeg-, Verzorgingshuizen en Thuiszorg (SOVVT)* (committee of social partners involved in nursing homes, retirement homes and home care), employer- and employee organisations gather to crystallise matters (sometimes technical) and prepare for a CLA meeting. The first CLA that was drawn up in collaboration for nursing-, retirement- and home-care activities was valid from 2008 to 2010. Before then, the nursing- and retirement-home branch had its own CLA and the home care branch, also its own. The branch's current CLA will cover the period between 1 March 2010 and 1 March 2012 (SOVVT, 2010). The CLA was declared generally binding in December 2011 and is valid for all employers and employees who fall within the scope of the CLA.

Parties involved in this CLA

The CLA 2010-2012: Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care was drawn up in collaboration with the following parties:

- *ActiZ*
- *Branchebelang Thuiszorg Nederland (BTN)*.

And the following employee organisations:

- *Abvakabo FNV* (trade union)
- *CNV Publieke Zaak* (trade union for public services)
- *NU'91* – de trade union for nursing and caretaking
- *FBZ: Federatie van Beroepsorganisaties in de Zorg* (Federation of Professional Care Organisations) and its related educational and research projects, namely:
 - *Ergotherapie Nederland (EN) Ergotherapy Netherlands*
 - *Koninklijk Nederlands Genootschap voor Fysiotherapie (KNGF) Royal Dutch Society for Physical Therapy*
 - *Landelijke vereniging voor Artsen in Dienstverband (LAD) National Association of Physicians*
 - *Nederlands Instituut voor Psychologen (NIP) Dutch Association of Psychologists*
 - *Nederlandse Vereniging van Diëtisten (NVD) Dutch Dietetic Association*
 - *Nederlandse Vereniging voor Logopedie en Foniatrie, sectie Gezondheidszorg (NVLFG) Dutch Association for Logopedics and Phoniatics, Health Care Division*
 - *Nederlandse Vereniging voor Psychomotorische Therapie (NVPMT) Dutch Association of Psychomotor Therapy*

- *Vereniging van Geestelijk Verzorgers in Zorginstellingen (VGVZ)* Netherlands Association of Spiritual counsellors in Care Institutions
- Association for highly- and intermediately-skilled personnel in the health and welfare sector (*VHP Zorg*)

Employers defined

An employer is considered to be a nursing home and/or a retirement home, or an organisation that provides home care. A home-care organisation may offer various types of services:

- Housekeeping
- Grooming (or personal care)
- Individual nursing care
- Supportive assistance
- Active support after rehabilitation
- Prenatal care
- Lending out nursing supplies
- Youth health care
- Dietary advice
- Immunisations
- Postnatal care

CLA stipulations

The branch involved in nursing-home, retirement-home care and home care (*VVT*) has drawn up an extensive CLA, just as the branch involved in the care of the disabled, in which various terms and conditions of employment and provisions have been incorporated. This CLA also emphasises sustainable employment of its personnel.

Appendix 1 contains an overview of each chapter in the CLA for Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care 2010 - 2014 and the main regulations falling under each.

Negotiations for a new CLA

Negotiations for a new CLA started in February of 2012. The CLA was drawn up in a letter after collaboration by with the unions *CNV Publieke Zaak, Abvakabo FNV, FBZ and NU'91*. Formality dictates that this must occur two months before the current CLA expires, otherwise, it will be prolonged unchanged for a period of one year. As employer organisations intend to bring modifications into the new CLA, they have terminated the current one.

Employer- and employee- organisations have all published letters of intent containing requirements for the CLA negotiations. This is the result of the parties' intentions to modify certain points contained in the CLA.

CLA for Child Care

In the *Overleg Arbeidsvoorwaarden Kinderopvang (OAK)* (Committee for the Terms and Conditions of Employment in Child Care), employer- and employee organisations gather to negotiate a CLA. The most recent CLA that the employer organisations and the unions involved in child care finalised was valid from 1 May 2010 to 1 January 2012 (*FCB*, 2010) The CLA was declared legally binding by the Ministry of Social Affairs and Employment (SZW) and it currently applies to all employers and employees involved in child care.

Parties involved in this CLA

The CLA for Child Care 2010-2011 was drawn up in collaboration with the following employee organisations:

- *Maatschappelijk Ondernemers Groep (MOgroep Kinderopvang)*
- The *Branchevereniging Ondernemers in de Kinderopvang (BKN)* (Association of Entrepreneurs in the Child Care Branch)

And the following employee organisations:

- *Abvakabo FNV* (trade union)
- *CNV Publieke Zaak* (trade union for public services)
- *Vakbond De Unie* (union)

Scope of validity

The CLA is applicable to all enterprises offering invoiceable child care services to children up until the first day of the month in which they start middle school. The types of child care services falling in this category are: day care, before- and after-school care and (mediation in) child-minding services. An exception to this rule is the supervision of school-aged children staying on during the midday lunch break.

CLA provisions

The CLA for Child Care contains stipulations pertaining to primary terms and conditions of employment as well as fringe benefits. In comparison with the CLAs for caring for the disabled and the for the *VVT* branch, the CLA covering child care is less extensive and less specific. Appendix 1 contains an overview of each chapter in the CLA for Child Care 2010 - 2011 and the main regulations falling under each.

Negotiations for a new CLA

The CLA for Child Care expired in January 2012. Employer- and employee organisations have attended several negotiating sessions since December of 2011 in an attempt to draw up a new CLA; however, these negotiations continue to date. The desire for attractive terms and conditions on the one hand and the effect of cutbacks in child care on the other has led to tension in the negotiating process. The social partners have nevertheless managed to make agreements on the distribution of pension premiums and the indexation of compensation for the year 2012.

Until a new CLA comes into being, the current CLA is being amended. This means that the articles contained in the most recent CLA are valid and will continue to apply to individual terms and conditions of employment which the employer is required to implement. This is not automatically true for new employees hired after expiration of the CLA. In actual practice, however, the employer and employee usually voluntarily agree to have the CLA become part of the individual contract.

4. EMPLOYER INVOLVEMENT IN SOCIAL DIALOGUE

In this chapter, the third research question of the study will be discussed: *How many social service employers are involved in social dialogue and, at which levels?*

What the Dutch view of 'social dialogue' is will first be addressed. Social dialogue between social partners takes place in the Netherlands on four levels: nationally, in the health and welfare sector, at the branch level and at a facility level.

A description of the social partners involved in dialogue, the form in which it takes place and how it is accomplished for each of the levels can be found below.

The definition of social dialogue in the Netherlands

The PESSIS project defines social dialogue as, *"The dialogue between employer and employee"*. In the Netherlands, social dialogue not only takes place between the employer and the employee. Social dialogue in the Netherlands is considered to be a broader activity in that it includes all forms of negotiation, as well as consultation and the exchange of information on socioeconomic topics. Some discussions are conducted not only by the social partners, but also in collaboration with other parties such as governmental or those from the academic arena. Social dialogue between employer- and employee organisations is most apparent during CLA negotiations.

Social dialogue between employer- and employee organisations takes place in the Netherlands on four levels:

- At the national level
- Within the health and welfare sector
- At the branch level
- Within a facility

The following consecutive paragraphs will explore how employers and employees are involved in social dialogue at each of the four levels.

Social dialogue at the national level

Several employer organisations and confederations of trade unions exist at the national level. They represent a large part of the branch organisations and defend their interests on both the national and international levels. Umbrella organisations for employees and the confederation of trade unions are in close contact with those in the political arena, public administration and other social organisations in the Netherlands and in Europe.

Branch organisations in the social service sector are associated with the following main national organisations:

- The Confederation of Netherlands Industry and Employers (*Werkgeversorganisatie Vereniging VNO-NCW*): *VGN* and *Brancheorganisatie Kinderopvang*
- *Werkgeversorganisatie MKB* (employer organisation for small and medium-sized businesses): *ActiZ*
- FNV confederation of trade unions: *Abvakabo FNV*
- Confederation of trade unions of the *Christelijk Nationaal Vakverbond (CNV)* (Christian Trade Union Federation): *CNV Publieke Zaak*
- *Vakcentrale voor Middengroepen en Hoger Personeel (MHP)* (Confederation of trade unions for mid- to highly skilled personnel): *De Unie, NU'91 (via CMHF - Centrale van Middelbare en Hogere Functionarissen [centre for mid- to highly skilled professionals])*

A national platform on which the central employer organisations and confederations of trade unions play major roles is called the *Sociaal-Economische Raad (SER)* (Social and Economic Council of the Netherlands)⁵. The SER provides advice to government and parliament on main topics from the socioeconomic policies to be implemented. This council is comprised of:

- 11 representatives from confederations of trade unions (*FNV, CNV and MHP*)
- 11 representatives of central employer organisations (*LTO [Land- en Tuinbouw Organisatie - Dutch Federation of Agriculture and Horticulture], MKB and VNO- NCW*)
- 11 independent professionals appointed by Royal Decree.

The SER was legally established in 1950 because there was a need for more involvement by employers and employees in socioeconomic policy-making.

The Dutch Labour Foundation⁶ is another national discussion platform in which central employer organisations and confederations of trade unions are represented. The foundation was established in 1945 and is

⁵ <http://www.ser.nl/>

⁶ <http://www.stvda.nl/>

represented by central employer organisations VNO-NCW, *MKB* and LTO and confederations of trade unions FNV, CNV and MHP. The aim of the Dutch Labour Foundation is to stimulate good labour relations by means such as:

- The provision of information and advice to employer- and employee organisations
- Holding discussions with members of government and
- Advising the government either upon request or spontaneously

The Dutch Labour Foundation is involved in discussions of socioeconomic topics such as pension provisions, training and education, labour relations, recruitment and selection of personnel, child care, employee-dismissal policies and equal rights and compensation.

Social dialogue within the health and welfare sector

Collaboration also occurs within the health and welfare sector. For example, social partners sit on the boards of directors of organisations such as the Health and Welfare Pension Fund, the national platform for professional education called *Calibris*, and in the research project entitled *Arbeidsmarkt Zorg en Welzijn* (The Labour Market in the Health and Welfare Branch).

Collaboration of social partners involved in the PFZW Pensioenfonds *Zorg en Welzijn*, Health and Welfare Pension Fund

Social partners from the branches involved in care of the disabled, the *VVT* and child care work together for the *PFZW*. The board of directors of this organisation is comprised of social-partner representatives. The following employer organisations participate in the fund's management:

- *VGN*
- *MOgroep*
- *Nederlandse Vereniging Ziekenhuizen (NVZ)* Dutch Association of Hospitals
- *Geestelijke Gezondheidszorg Nederland (GGZ)* Dutch Mental Health Care Association
- *ActiZ*

And the following employee organisations:

- *FBZ*
- *Abvakabo FNV* (trade union)
- *NU'91*
- *CNV Publieke Zaak*

The child care branch is represented by a seat on the board shared with *Jeugdzorg en Welzijn* (Youth Health Care and Welfare). The Health and Welfare Pension Fund is responsible for policies on provisions and the

pension fund's net worth for more than two million health-and-welfare-sector current and former employees. The board is responsible for pension provisions and asset management of the fund. The board, which is comprised of the social partners, is also responsible for the proper execution of pension provisions.

Collaboration of social partners in Calibris (National Platform for Vocational Training)

Calibris is a centre of expertise responsible for maintaining the qualification structure of educational courses at the *MBO* (vocational) level in the sectors health, welfare and sports, as well as for the approval of enterprises offering internships. Calibris is funded by the Ministry of Education, Culture and Science and executes several pieces of legislation falling under the *wet Educatie en Beroepsopleiding (WEB)* Education and Vocational Training Act. In addition, Calibris provides products and services to enterprises offering internships, educational facilities and branches upon request. The aim of Calibris is a more balanced and dynamic labour market; it also is working on more coherence between the vocational workforce and vocational training. The organisation functions as a mediator between schools and enterprises offering internships.

The Calibris Board of Directors is comprised of employer- and employee organisations and educational organisations. Each organisation belonging to one of these three groups appoints three representatives. The board consists of 10 persons, including an independent chairperson. The following employer organisations have members on the board:

- *MOgroep & VGN*
- *ActiZ*
- *Nederlandse Vereniging Ziekenhuizen (NVZ)* (Dutch Association of Hospitals) & *Geestelijke Gezondheidszorg Nederland (GGZ)* (Dutch Mental Health Care Association)

The following employee organisations have members on the board:

- *Abvakabo FNV*
- *CNV Publieke Zaak*

The board ensures that Calibris executes its legal responsibilities. These core tasks concern the qualifications structure, the facilitation of personal development and external validation procedures. For example, the board lays down the policy scope in which the qualifications structures, partial qualifications, programme aims and rules for accreditation are included. In addition, the board establishes a long-term policy plan for Calibris: the budget, annual report and annual financial statement. Interim progression reports on the legal tasks are also discussed by the board.

Calibris also supports various initiatives on a regional level that are aimed at improving the quantitative and qualitative integration of health care and social work-related training and the labour market. One recent example is the signing of a covenant between child care organisations in Zeeland and West Brabant (Calibris, 2012). On 2 February 2012, representatives of 16 child-care organisations, four educational programmes in pedagogy and Calibris placed their signatures on the second collaborative covenant. These organisations are now 'partners in education' and have the common goal of ensuring there are sufficient numbers of qualified pedagogic workers in child care.

Collaboration of social partners in the Dutch Health and Welfare Labour Market research project

Various parties in the Netherlands have joined together to set up a research project on the labour market in health and welfare (*Arbeidsmarkt Zorg en Welzijn (The Labour Market in the Health and Welfare Branch) [AZW]*). This project aims to acquire insight into the labour market status of the following branches:

- Hospitals
- Nursing home care, retirement home care and home care (*VVT*), including postnatal care
- Care of the disabled
- Mental health care (*GGZ*), including addiction rehabilitation
- Community services and welfare (*W&MD*)
- Youth care
- Child care

Representatives of the following labour market funds, or social partners, initiated the research program:

- *Stichting Arbeidsmarkt- en Opleidingsbeleid Verpleeg-, Verzorgingshuizen en Thuiszorg (A&O VVT)* (association for labour market and educational policies in the *VVT*)
- *Stichting Arbeidsmarkt Gehandicaptenzorg (StAG)* (labour-market association for care of the disabled)
- *Stichting Arbeidsmarkt Ziekenhuizen (StAZ)* (association for labour market in hospitals)
- *Stichting O&O-Fonds Geestelijke Gezondheidszorg (OofGGZ)* (labour-market association for the care of the mentally disabled)
- *Stichting Fonds Collectieve Belangen (FCB)* (association for the collective interests fund)

The following parties are also initiators of this research project:

- Ministry of Health, Welfare and Sport
- Calibri, centre of expertise for on-the-job learning in health, welfare and sport

- *UWV Werkbedrijf* (the body that administers employee insurance schemes)

The purpose of the research project is to provide participating parties with a frame of reference so that they can be proactive in policy-making on a national level, at the CLA negotiating Table, in nationally operating institutions, but also locally and regionally. The health and welfare labour market organisation publishes an annual report which contains a brief summarisation of current and future labour market situations in the aforementioned sectors. The research project participants also publish a yearly regional report concerning labour-market situations of the various sectors at that level.

Social dialogue on the branch level

On the branch level there are many committees and organisations in which social partners from the branches caring for the disabled, elderly care and child care discuss new policies, projects, activities and CLAs.

Collaborative CLA negotiations

Firstly, CLA negotiations take place. These negotiations are often subject to certain terms and conditions. For example, there may be several employee organisations active in the branch, however not involved in the CLA negotiations. The right to participate may be based on the number of members, the number of years the organisation has existed, etc. Such conditions vary per branch.

The previous chapter thoroughly covered which employer- and employee organisations from the three branches are represented in the committee. The following paragraph contains a brief summarisation of those participants.

Care of the disabled

The relevant social partners were united under the *Overleg Arbeidsvoorwaarden Gehandicaptenzorg (OAGz)* (Committee for Terms and Conditions in Caring for the Disabled). The social partners on this committee hold discussions on the preparation, negotiation and execution of the CLA. The Dutch Association of Healthcare Providers for People with Disabilities (*VGM*) negotiates on behalf of *MEE Nederland*. The trade unions *Abvakabo FNV*, *CNV Publieke Zaak*, *FBZ* and *NU'91* negotiate on behalf of the employee organisations.

Nursing-home care, retirement-home care and home care

In the *Sociaal Overleg Verpleeg-, Verzorgingshuizen en Thuiszorg (SOVVT)* (committee of social partners involved in nursing homes, retirement homes and home care), employer- and employee organisations gather to crystallise matters (sometimes technical) and prepare for a CLA meeting.

ActiZ and *Branchebelang Thuiszorg Nederland* negotiate on behalf of employer organisations. The trade unions *Abvakabo FNV*, *CNV Publieke Zaak*, *FBZ* (and associated organisations) and *NU'91* negotiate on behalf of the employee organisations.

Child care

Negotiations for the CLA take place during meetings of the committee for terms and conditions in child care *Overleg Arbeidsvoorwaarden Kinderopvang (OAK)*. The *Brancheorganisatie Kinderopvang (Branch Organisation for Child Care)* negotiates on behalf of the employer organisations. The trade unions *Abvakabo FNV*, *CNV Publieke Zaak* and *Vakbond De Unie* negotiate on behalf of the employee organisations.

Collaboration on labour market funds

Another form of social dialogue which is fairly unique to the Netherlands concerns the labour market funds. Employer- and employee organisations sit together at the negotiating table to discuss a labour market fund. Their goal is to stimulate and improve the activities of the labour market of the branch they are involved in. Activities and projects conducted by members of a labour market fund are aimed at labour market policy and not on terms and conditions of employment.

Care of the disabled

In 2005, a collaborative social partnership in the branch caring for the disabled arose from the prior health care and welfare sector's fund; it is called: *Stichting Arbeidsmarkt Gehandicaptenzorg (StAG)* (an association for the labour market in the branch caring for the disabled). The *StAG* Board of Directors is comprised of eight members; four on behalf of the employer organisations and four on behalf of employee organisations. *StAG* participants include the employer organisation *VGN* and the employee organisations *Abvakabo FNV*, *CNV Publieke Zaak*, *FBZ* and *NU'91*. The *StAG* secretariat is staffed by *Centrum Arbeidsverhoudingen (CAOP)* (Centre for Labour Relations).

The purpose of *StAG* is to stimulate labour market functioning as well as the availability of education and training for the branch. Its desire is to create conditions for the provision of good-quality care to the disabled at socially acceptable rates.

The *StAG* publishes an annual policy plan (*StAG*, 2010 and 2011) which includes key elements that the labour market fund committee would like to realise and an annual report with results attained. *StAG*'s projects and activities in 2010, 2011 and 2012 can be categorised into the following clusters:

1. Professionalism
2. Labour relations
3. Optimisation of working conditions
4. Participation and employability

In addition, the *StAG* executes projects and activities related to the CLA

for the branch caring for the disabled.

Care of the elderly

In 2009, the *Stichting Arbeidsmarkt- en Opleidingsbeleid Verpleeg-, Verzorgingshuizen en Thuiszorg (A&O VVT)* (association for labour market and educational policies in the VVT) was established.

This fund came to be as a result of a merger between *Stichting Arbeidsmarktbeleid Branche Verpleeg- en Verzorgingshuizen (SAB V&V)* and the *Stichting Fonds voor Arbeidsmarktbeleid en Opleidingen Thuiszorg (FAOT)* (both associations for labour market policy in the branch for nursing-home and retirement-home care and the association for the fund for a labour market policy and education in home care). The A+O VVT Board of Directors is comprised of 10 members. Five board members are named by the employer organisations (*ActiZ* and *BTM*) and five board members by the employee organisations (*Abvakabo FNV*, *FBZ*, *NU'91* and *CNV Publieke Zaaak*). The board has advisory committees that offer advice on how to approach, contact, and to support projects; one committee concentrates on education in the VVT branch and in the labour market, the other on working conditions, sick leave and reintegration. The committees are comprised of members who are experts in these areas and are named by the board. The A+O VVT secretariat is staffed by the Centre for Labour Relations (*CAOP*).

The aim of the A+O VVT is to improve and stimulate labour market functioning at the national level; for example, by:

- Contributing to solutions for issues related to personnel
- Contributing to attractive work environments and good working conditions
- Offering educational opportunities by maintaining the three branch-accredited training programs, among other things
- Highlighting the distinctive aspects of working in nursing-home care, retirement- home care and in home care.

The A+O VVT publishes an annual policy plan which includes key elements that the labour market fund committee would like to realise and an annual report with results attained.

Projects conducted by A+O VVT over the past years can be categorised under six different themes:

- Labour market and education
- Circumstances of the labour market
- Human resource management
- Terms and conditions of employment
- Communication
- European Social Fund

These themes together form the umbrella under which the various activities and projects are initiated.

Child care

The Fund for Collective Interests (*FCB*) (*Fonds Collectieve Belangen*) is a labour market fund set up by and for employers and employees in the branches involved in welfare, social services, youth care and child care. On behalf of the child care branch, the employer organisation, members of the Branch Organisation for Child Care (*Brancheorganisatie Kinderopvang*) (*Branch Organisation for Child Care*) participate on the board and *CNV Publieke Zaa*k and *Abvakabo FNV* do so on behalf of employee organisations. A steering committee acts on behalf of the board and advises it on policy-making. The representatives of this steering committee are on equal footing with the board.

The aims of *FCB WJK* (*Welzijn en Maatschappelijk Dienstverlening, Jeugdzorg en Kinderopvang*) (Welfare and social services, Youth Care and Child Care) are to collect and share information on the labour market and develop practical instruments for a healthy labour market. It focuses on research into the labour market, the influx of personnel, employee mobility and development, reducing sick leave and safe and healthy working conditions.

Within the *FCB* organisation, four key focus areas (*'programmaliijnen'*) have been allocated and for each of these, a working party has been established which monitors whether a project meets the needs of the branch in the most optimal way.

Social dialogue at the branch level is also conducted by the *Stichting Bureau Kwaliteit Kinderopvang* (*BKK*) (Dutch association for quality in child care).

The establishment of *BKK* was a joint effort by employer- and employee organisations and parents. This initiative was in response to a goal established by the Ministry of Social Affairs and Employment aimed at improving the pedagogic quality of child care. For 2009-2012, forty million euros was made available for the initiative. Members of the following organisations make up the *BKK* Board of Directors:

- The employer organisation Branch Organisation for Child Care (*Brancheorganisatie Kinderopvang*)
- Employee organisation *De Unie*
- Employee organisation *CNV Publieke Zaa*k
- Employee organisation *Abvakabo FNV*
- Parents' organisation *Belangenvereniging van Ouders in de Kinderopvang* (*BOink*) (Parents of Children in Child Care Interest Group)

The *BKK* stimulates and supports regional collaboration and liaises between vocational educators and the workplace by sharing information and making a collective budget available, among other activities. In all regions, members of child care organisations and vocational educators have signed strategic covenants on specific agreements.

The *BKK* focuses on four main tasks:

- To stimulate collaboration between vocational educators and actual practice so that the continuous monitoring of quality requirements become second nature
- To stimulate the development of talent by focusing on possibilities for career progression, influx and promotion, differentiating roles and creating combined roles
- To develop and implement a pedagogical frame of reference for child centres for 0-4 years and for 4-13 years
- To manage and allocate an educational budget and a budget for *EVC (Eerder Verworven Competenties)* (Recognition of Acquired Competence) procedures so that child care organisations can stimulate pedagogical education for child care employees and managers as well staff involved in the training, support and coaching of pedagogical employees

Social dialogue within facilities

At the facility level, social dialogue occurs between an employer and employees by means of staff participation in personnel councils or employee representatives. The Works Councils Act (*Wet op de ondernemingsraden, WOR*)⁷. This law regulates the employees' say within enterprises in the Netherlands. It ensures that employees are involved in decision-making within the company and that they can exert their influence on policies. Staff participation also ensures that the employer receives information from the workforce. A personnel council (*ondernemingsraad, OR*) has two main tasks: to represent the employees and to collaborate with the employer in decision-making. These decisions pertain to social goals like good working conditions, as well as economic goals such as continuity of business and employment opportunities.

The WOR states at all organisations that employ at least 50 individuals is obligated to establish an OR. The WOR provides the personnel council with various rights and means:

- The employer will hold meetings with the personnel council
- The employer will provide the personnel council with information
- The employer will ask the personnel council for advice well before it needs to make decisions on important financial/economic or managerial affairs
- The employer will ask the personnel council for approval well before it implements actions related to decisions on company social policy in the broadest sense
- The employer will provide certain means (e.g. time) for personnel council-activities or training.

⁷ went into effect in the Netherlands in 1950::
http://wetten.overheid.nl/BWBR0002747/geldigheidsdatum_15-03-2012.

For small corporations having between 10 and 50 employees, the rule is that employers are obliged to establish a form of employee-representation (*personeelsvertegenwoordiging* [PVT]) if the majority of personnel requests it. The WOR also recognises employee representatives in that they are also required to be provided with information and have the right to approve of working-week agreements. Employee representatives, however, generally have fewer rights and means than a personnel council. If an organisation employing between 10-50 staff does not have employee representation or a personnel council, the WOR stipulates that the employer must get together with its employees twice a year to discuss the organisation's current state of affairs.

The CLAs for the branches involved in care of the disabled and child care, as well as for nursing-home care, retirement-home care and home care, all have provisions for staff participation. A brief overview of these provisions can be found below.

The CLA 'Care of the Disabled 2011 - 2014'

In the CLA for the care of the disabled (VGN, 2011), Chapter 13 is entirely devoted to the topic of staff participation.

The CLA contains the agreement that organisations with at least 35 employees are obligated to set up a personnel council. Members of such personnel councils are entitled to 300 hours per year during which they may execute activities related to the personnel council instead of their employment-related tasks. Members of the personnel council also hold the right to advise on the naming or firing of a member of the management team as well as the right to advise on interim changes to the budget.

This CLA also contains the agreement that the employer and personnel council or employee representative may agree on provisions two topics not included in the CLA (provided these agreements are not in opposition to legislation or CLA). The CLA also contains several 'may' provisions. The employer and personnel council may establish alternative stipulations with regards to one or more provisions. Example include provisions on special holidays or anniversaries, en bonuses for covering for another, or on wages for students age 21 years and older. Article 13.3 of the CLA contains information on the circumstances under which the 'may' provisions be enacted.

The CLA Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care 2010-2012

Chapter 10 of the CLA Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care 2010-2012 (SOVVT, 2010) pertains specifically to staff participation. The CLA contains no provisions on the number of employees an organisation must have before it is required to establish a personnel council or employee representative.

Additional rights of the personnel council are, however, listed in article 10.1:

- The personnel council as the right to advise on the naming or firing of a member of the management team
- The employer must discuss policies for working hours with the personnel council at least once a year. Employees retain the right to participate in policy-making on the above point.
- The employer and personnel council will be proactive on topics such as workload and safety.
- Employer will meet with the personnel council on the topic of employment contracts at least once a year. Topics of this discussion will include whether or not to implement long-term contracts or expansion of part-time contracts, as well as issues related to the execution of the policies on the number of hours per work week.
- Together with the personnel council, the employer will establish a training plan and the necessary budget for it.

CLA for Child Care 2010 - 2011

The CLA for Child Care (*FCB*, 2010a) refers to 'A provisions' and 'B provisions' as early as in the foreword. 'A Provisions' are printed in the CLA in bold-faced type; no alternative stipulations may be made for these provisions. For the 'B Provisions', alternative agreements may be made at the facility level. At various places, the text of the CLA mentions that custom agreements may be made with the personnel council or with the individual employee. These custom agreements become invalid when the CLA expires.

Chapter 10 of the CLA for child care explicitly discusses staff participation. In article 10.1, agreements have been laid down that an employer of at least 10 but fewer than 50 employees is required to establish a personnel council. Members of the personnel council have rights to two days of training days per year. In addition, members of the personnel council may spend at least 75 of their working hours on activities for the council per year.

Chapter 10 of the CLA also extensively discusses the (additional) rights of members of a personnel council. For example, members have the right to express views on the compilation of the management team, when reorganisation is necessary, and in mergers.

Drafting a social plan

When a social plan needs to be drawn up, for example, in times of reorganisation, trade unions may participate in social dialogue in addition to the personnel council. A social plan may be drawn up by⁸:

⁸ Information obtained from www.sociaalplan.nl

- The employer only
- The employer and the employee organisations
- The employer and the personnel council
- The employer, employee organisations and personnel council

The role of the personnel council is often restricted when a social plan must be drawn up, because the Collective Labour Agreements Act (*Wet CAO*) does not see the council as a body having full legal authority. Members of the personnel council will often be co-signers in such cases. Members of trade unions who are experienced in negotiating usually vote on a social plan together with the employer. Social partners will sometimes mention in a particular CLA who will be involved when a social plan must be drawn up. In the CLA for the care of the disabled, it is indicated that the employer must 'be demonstrably proactive in establishing a social plan' together with employee organisations. The CLA for Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care obliges the employer to discuss provisions for unemployment allowances, part of any social plan, with its employee organisations. The child care CLA mentions the following: "...implementation of a decision to terminate employees will only take place after discussion with organisations whose members are employed by said employee."

5. MAJOR OCCUPATIONAL ISSUES IN CARING FOR THE DISABLED, THE ELDERLY AND IN CHILD CARE

The fourth research question elucidated in this report is: *What are the major occupational issues and, at which levels?*

In this Chapter, we will first discuss the factors influencing the labour market in the health and welfare sector. These factors pertain to political measures as well as to demographic developments. We will then discuss the current occupational issues affecting the care of the disabled, elderly care and in child care.

Factors affecting the labour market in the health and welfare sector

In this paragraph, we will discuss a few political and demographic developments currently taking place in the Netherlands that are influencing the social service sector and within the scope of this study. In the first place: the effects of austerity measures and investments in the three branches. Thereafter, we will explore the ageing population and fewer younger employees further as well as pension policies in the Netherlands.

Cutbacks and investments

In order to meet the European regulation that national budget deficits should remain below 3 percent, the VVD (*Volkspartij voor Vrijheid en Democratie* - People's Party for Freedom and Democracy), the CDA

(*Christen-Democratisch Appèl* - Christian Democratic Appeal) entered into negotiations with support from the PVV (*Partij voor de Vrijheid* - Party for Freedom). In addition to the austerity measures totalling 18 billion euros agreed upon at initiation of the coalition government, a new packet of cutbacks totalling 14 billion euros must be compiled. In the end, the parties were not able to reach an agreement on these cutbacks. For this reason, on 23 April 2012, the VVD/CDA cabinet fell. The caretaker (*'demissionair'*) government consequently reached an agreement on an austerity package together with a few oppositional parties ensuring that the budget deficit remains below the European standard.

The health and welfare sector, which includes caring for the disabled, elderly care and child care, is largely dependent on government funding. The government wants to curb health care spending. At the same time, it wishes to invest in the quality of long-term care. Below is an overview of the cutbacks listed in the coalition agreement as agreed for the health and welfare sector. It is still unclear what consequences the second round of austerity measures totalling 14 billion euros will bring for the health and welfare sector.

Cutbacks

One measure affecting the care of the elderly and disabled is a 200-million-euro cut in the budget for housekeeping falling under the Social Support Act (*Wmo*). This will largely occur at the expense of the *persoonsgebonden budget* (personal budget) for home care. This cut will result in a decline in the request for home care and associated personnel (*AZW*, 2011).

Another governmental measure entails the daytime activities and support being transferred from the *AWBZ* to the *Wmo* (*AZW*, 2011). This measure is associated with an efficiency cutback of 5 percent. Daytime activities include offering support to persons with mental, physical or sensory disabilities and elderly with somatic or psychogeriatric problems. The transfer of activities means that municipalities will be responsible for the execution of this law as of 1 January 2013. One measure specifically affecting the care of the disabled is the government's proposal to lower the *AWBZ* IQ criterion for eligibility for care from 85 to 70. In doing so, fewer mentally-impaired persons will become eligible for *AWBZ* support.

The effect such measures will have is yet unclear; however, it is possible that they will lead to slower growth in the utilisation of health care services and resulting decline in the demand for employees. The social partners in the branches caring for the disabled and elderly (*VVT*) believe that it is important to acquire insight into the consequences of transferring personal support to the *WMO* and to anticipate these consequences.

In terms of child care, the previous government (Balkenende IV) increased parental co-payments and lowered the income criteria at which parents must pay the maximum contribution for the first child in a child care setting. In addition, the government linked child-care compensation to the actual number of hours worked by the parent working the least number of hours; the contribution was also restricted to 140 percent for day care and 70 percent for before-and-after school care. The current VVD-CDA coalition agreement contains additional proposals for such cutbacks. *AZW* (2011) mentions that a reduction in the demand for child care is to be expected, but that this decrease will remain limited four a time due to the waiting lists existing in the *Randstad* (conurbation) and current norms for the number of children per caregiver. The Branch Organisation for Child Care expects that the demand for child care will decrease much more significantly and thereby, branch employment opportunities as well (*Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care), 2011). Employees with contracts for just a few hours a week will especially feel the brunt of such measures.

Investments in Long-term Care 2011-2015

Besides cutting back, the current government wishes to invest in the quality of care for the elderly, disabled, and long-term mental health care. In September of 2011, The State Secretary for Health, Welfare and Sport drew up the *Convenant Kwaliteitsimpuls Langdurige Zorg* (covenant for investments for quality in long-term care) together with employer organisations in health care (*Rijksoverheid*, 2011). This covenant covers care of the elderly and disabled, among other areas.

Representatives of the following employer organisations have signed this covenant:

- *Zorgverzekeraars Nederland* (health insurance carriers of the Netherlands)
- *ActiZ* (organisation for entrepreneurs in health care)
- The Dutch Association of Healthcare Providers for People with Disabilities (*VGM*)
- *Geestelijke Gezondheidszorg Nederland (GGZ Nederland)* (Dutch association for mental health care)
- *Branchebelang Thuiszorg Nederland (BTN)* (branch organisation for home care)
- *Federatie Opvang* (Dutch Federation of Shelters)
- *De Verpleegkundigen en Verzorgende Nederland (V&VN)* (Dutch Nurses' Association)

The covenant lists the agreements made on structural additional investments in long-term care totalling 852 million euros per year. Agreements in the covenant state that this money will be used for:

- Training and recruiting 12,000 additional employees for primary long-term care
- Stimulating quality in long term care by training and recruiting

additional caregivers and nurses as well as training current employees to a higher level of qualification

- Reduce administrative expenses

The covenant's aim is to have the 12,000 additional employees hired or in training by 31 December 2013. The covenant includes agreements on its scope, the roles of the involved parties, the reduction of administrative costs, the allocation of the funds and the monitoring of progression.

Ageing, fewer younger employees, and a shrinking (professional) population

An important development affecting the labour market in the Netherlands relates to ageing and fewer younger employees. The baby boomers, born after the Second World War, are retiring. At the same time, the number of children being born has declined and growth of the population has stagnated. In the Dutch health care sector, there is even what is called a 'doubly ageing' phenomenon taking place: current personnel is ageing and the population is ageing. This phenomenon is resulting in various challenges. The increase in the number of elderly leads to an increase in the demand for health care and therefore, an increase in the need for employees (AZW, 2011). More elderly also leads to a shift in the type of care that must be offered. The question is whether this increased demand can be sufficiently addressed by an ageing staff. With a growing number of older employees, the jobs involving heavy physical labour are especially coming under pressure. In addition, worries exist about the influx of new employees because the population is shrinking in some regions, which is leading to a decrease in the number of potential employees (a decline in the number of persons aged 15-65 years) (AZW, 2011).

Modifications to the Dutch pension system

Because of ageing, there have been many recent discussions in the Netherlands about pension-system reform. Employer- and employee organisations reached new agreements on 4 June 2011 concerning the AOW⁹ and pension system¹⁰. On 10 June 2011, the government and the employer- and employee organisations crystallised the agreement further. The main points in this agreement are:

- The retirement age will go up to 66 years in 2020. It is possible

⁹ AOW stands for Algemene Ouderdomswet (general Elderly Pensions Act) and was implemented in 1957. AOW is a form of basic pension for persons who work and live in the Netherlands and have reached retirement age.

¹⁰ Article: <http://www.rijksoverheid.nl/onderwerpen/algemene-ouderdomswet-aow/verhoging-aow-leeftijd>; <http://www.rijksoverheid.nl/onderwerpen/algemene-ouderdomswet-aow/documenten-en-publicaties/persberichten/2009/12/23/aanvullende-maatregelen-verhoging-aow-leeftijd.html>

- that the retirement age will rise to 67 years in 2025.
- Individuals may opt for a flexible AOW when they stop working. If one should stop working before the age of retirement, one will receive less compensation under AOW. If one should stop working after the age of retirement, therefore making later use of the fund, one will receive more compensation under the AOW.
- It will be made easier for older employees to continue to work.

The measure aimed at increasing retirement age may lead to an increase in the number of available employees in the long-term.

Occupational issues in the social service sector

The health and welfare labour market research project's yearly employer surveys provide relevant information to occupational issues that are important to employers (Visser & Schoenmakers, 2012).

Such surveys are also taken by employers in the branch involved in caring for the disabled, the *VVT* branch and in the child care branch.

Issues related to staffing policies

The employer survey taken in 2011 addressed issues that employers experienced with their staffing policies. In the health care sector, the following issues were experienced the most:

- Controlling the workload (41%)
- Attracting (new) personnel (40%)
- Ageing staff (38%)

In the WJK sector (Welfare and social services, Youth Care and Child Care), the following issues were experienced the most:

- Controlling the workload (23%)
- Lack of available personnel do to leave of absence/holidays (18%)
- Salaries (18%)

In the health care sector as well as in WJK, controlling the workload is the most relevant issue when it comes to staffing policy. More than half of employers involved in care of the disabled (56 percent) and in nursing-home and retirement-home care (53 percent) have noticed an increase in workload over the past few years. The workload has remained stable in home care (50 percent) and in child care (66 percent). An increased workload has led to overtime in all branches. There is also an increase in sick leave, reduced quality of care, complaints from personnel and complaints from clients.

In the health care sector, the issue of attracting (new) personnel was mentioned many times. Branches involved in health care are dealing with a high number of difficult-to-fill positions. In nursing and retirement homes, 58 percent of employers believe that their open positions are

difficult to fill. This is also true for 49 percent of employers in the home care branch. The open positions are almost always for nurses and caregivers. The main reason why these positions are difficult to fill is the lack of (qualified) applicants. In the branch caring for the disabled, the number of difficult-to-fill positions is less considerable at 29 percent. This is 27 percent in child care.

Major occupational issues in caring for the disabled

Current occupational issues in the branch involved in the care of the disabled are: sustainable employability, the influx and retention of personnel, working conditions and professionalism. Below is a brief elucidation of these issues.

Sustainable employability

With an ageing staff and fewer new employees, strategic staff planning and sustainable employability are major topics in the branch caring for the disabled. Research conducted on behalf labour market fund of the labour market fund *StAG* demonstrate that, although most facilities caring for the disabled do list sustainable employability as a point to be addressed, and that agreements have been made on diverse points between the employer and personnel council, there hardly are any policies on integral, collaborative policy on sustainable employability in existence (Molenaar-Cox et al, 2011). In addition, some people at facilities are not aware of the effects that ageing and fewer younger employees will have on their staffing policies.

The employer- and employee organisations are actively working on the topic of sustained employability. For example, social partners for the CLA for the care of the disabled 2011-2014 have undertaken measures that stimulate the sustainable employability of their staff. An employee has, for instance, a personal budget (PBL) available to him/her. The employee has a few hours added to his/her budget each month for taking time off as he or she sees fit, in consultation with the employer. In addition, facilities are required by the CLA to establish a training plan, together with the personnel council, in which attention is paid to sustainable employability and working. The *StAG* labour market fund also has 'participation and employability' as one of their key points and address this issue by stimulating and supporting sustainable employability within the facilities.

Influx and retention of personnel

Because of the aforementioned developments in terms of fewer young employees, it is important that the branch involved in care of the disabled to pay attention to the occupational desires of a new generation of employees. In studies on the factors affecting the retention of young personnel, heads of educational programs believe that the current generation of interns and younger employees is more assertive and

stronger in verbal communication but, at the same time, is less disciplined and weaker in written communication (Calibris Contract, 2011). Additionally, it appears from this study that younger personnel caring for the disabled is least positive in terms of opportunities for career progression in this branch. As there is a fair amount of staff turnover amongst the younger employees, it is important that attention is paid to the best ways in which retention of new personnel caring for the disabled may be realised. Social partners are proactively following up on this important topic.

Working conditions

The improvement of working conditions is another issue receiving attention in the branch caring for the disabled. Social partners have worked together on an occupational manuscript entitled, '*Profijt van arbobeleid*' [the benefits of occupational policies] in which solutions are presented for major occupational issues. Social partners are currently trying to stimulate the use of his manuscript by the work force. On a related topic, the branches also working to support facilities in the area of contracting policies. One problem is that very few full-time contracts can be offered in the branch because of the division of tasks.

Professionalisation

The social partners are of the opinion that allowing employees to have more say and autonomy over the execution of their own tasks is an essential element in the care of the disabled in terms of the quality of this care. The CLA lists agreements made by employer- and employee organisations on investigation into employee participation in staff scheduling. In addition, social partners plan to establish a project in 2012 for on the development of a more professional employee identity and to stimulate staff pride within the branch caring for the disabled.

Major occupational issues in elderly care

Current occupational issues in the branch caring for the elderly are sustainable employability, influx and retention of personnel and flexibilisation of care.

Sustainable employability

In light of the expected shrinking of the labour market because of fewer younger employees and ageing, the increasing demand for health care and the increased retirement age, it is important that the branch involved in elderly care ensures that staff remain sustainably employed. Employer- and employee organisations have been actively working on this topic for some time now. They wish to stimulate organisations and to support them by implementing an integral approach to sustainable employability. They also believe it is important to stimulate the development and career progression of employees in order to increase employability (*A+O VVT*, 2011).

The social partners have just rounded off a pilot project conducted via the labour market fund *A+O VVT* aimed at increasing sustainable employment (*A+O VVT*, 2011). Furthermore, employer- and employee organisations in the CLA *VVT* 2010-2012 (*SOVVT* 2010) have agreed to conduct research and projects related to sustainable employability in the branch caring for the elderly. For example, parties involved in this CLA have agreed to make workload and safety high-priority issues within their organisations. The CLA parties have also agreed to provide information on personal budgets which is a means to increase sustainable employability of staff.

Influx and retention of personnel

In the branch caring for the elderly, shortcomings exist in terms of quantity and quality of staff. The influx of students on the *VMBO* level (*voobereidend middlebaar beroepsonderwijs* - preparatory mid-level vocational education) is falling; *MBO* (vocational) students are also choosing the 3rd level vocational nursing program (*Verzorgende IG [niveau 3]*) less often than before. In addition, there is a shortage of specialists in geriatric medicine on the academic level. The influx and retention of personnel is a major occupational issue for employer- and employee organisations. Social partners associated with the labour market fund *A+O VVT* are working together to increase the influx of new employees into the *VVT* branch. For example, they are increasing the influx by improving the image of the branch and stimulating recruitment. Furthermore, agreements have been laid down in the CLA *VVT* 2010-2012 to work together with regionally collaborating employers to facilitate the recruitment of young employees and individuals making career switches into the branch.

Care on demand

One development in elderly care is that older persons are living in their homes longer and are receiving the care and support that they need there (*A+O VVT*, 2009). Because of this, new forms of living accommodations and types of residences such as small-scale housing and neighbourhood centres are arising. The key element in care on demand is that the client assumes the central role in determining the type of care he/she receives. Organisations involved in caring for the elderly are faced with the challenges of adequately meeting the combination of individual demand and efficient operations. Challenges for employees are to become more flexible and independent in the execution of their tasks and to be more available. Employer- and employee organisations are working together with the labour market fund *A+O VVT* in an attempt to facilitate and support the flexibility of organisations and employees as well as possible.

Major occupational issues in child care

Ageing is an occupational issue to which the child care branch is scarcely

sensitive. The child care branch is dealing with different developments that are putting pressure on it. These developments include government cutbacks and topics related to quality assurance. Major issues for the branch include the retention of employment opportunities, the improvement of quality and the improvement of working conditions.

Employment opportunities

Radical interventions have taken place within the child care branch since 2010. Over the past few years and labour a market has largely shown the realisation of a good influx of personnel in terms of quality and quantity (*Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care), 2011). However, due to governmental austerity measures, increased parental co-payment has led to a reduction in demand and downsizing of child care organisations. There has also been a shift in demand: before- and- after school care is showing growth whilst there is less work available in the care of young children (*FCB*, 2011). For the social partners, it is important to stimulate the mobility of employees. *Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care) expects that more attention will need to be paid on influx and quality within the next three years. For this reason, a short-term as well as a long-term vision is important for this branch (*Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care), 2011).

Quality

An essential aspect of the child care branch is quality. The Child Care Act was implemented in the Netherlands in 2005¹¹. This law regulates the quality of childcare and how this is measured, among other things. The government is paying much attention to the quality of child care and has decided to invest 20 million euros in 2012 (*Rijksoverheid*, 2012). In return for this investment, the Ministry of Social Affairs and Employment, together with employer- and employee organisations, parents, the scientists and inspectors, have drawn up a quality agenda. The aim of this agenda is the improvement of pedagogical quality. Together, the parties have undertaken a series of actions aimed at stimulating quality. These activities include:

- Improved safety monitoring
- Improvement of language and interaction skills in the pedagogical educational programs and for pedagogical employees
- Improving the quality of the management team
- Focusing more on supervision and maintenance

Brancheorganisatie Kinderopvang (Branch Organisation for Child Care) will endeavour to establish a quality register for employees in child care in the coming years (*Brancheorganisatie Kinderopvang* (Branch Organisation for Child Care) , 2012). Through such a quality register, the branch organisations will pose requirements on the education of

¹¹ Wet kinderopvang http://wetten.overheid.nl/BWBR0017017/geldigheidsdatum_21-03-2012

employees and effectuate a binding professional code.

Employer organisations are also undertaking actions related to the quality of child care together with the employee organisations. For example, social partners laid down agreements in the CLA for Child Care 2010-2011 to conduct research into the role competency profiles of child care employees as well as of child-minders and mediators. Furthermore, they will be studying the consequences of the *Wet Ontwikkelingskansen door Kwaliteit en Educatie (Oke)* (Development Opportunities Through Quality and Education Act) which was implemented in 2010 to improve the quality of child care and nursery schools.

Working conditions

Employer- and employee organisations have laid down agreements in the CLA for Child Care 2010-2011 (*FCB*, 2010) to conduct research into:

- Possibilities for saving for leaves of absences of by means of life savings accounts
- Self-scheduling
- Career progression and staying fit for the labour market
- A budget for individual options (a 'shop' for terms and conditions of employment)

With these measures, the social partners will stimulate employee autonomy and say over the execution of their own tasks. By giving the employees more freedom and responsibility, the social partners are stimulating the quality of care.

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APPENDIX 1 BRIEF OVERVIEW OF THE COLLECTIVE LABOUR AGREEMENTS

Table 1: Overview of CLA 2011-2014 for the Care of the Disabled

| Terms of employment | Brief description |
|--|---|
| Preamble | <i>The preamble contains agreements between parties which need not be incorporated into an article in the CLA. These include agreements about training. In addition, it includes an introduction to the provisions agreed upon by the parties.</i> |
| Chapter 1 General provisions | <i>This chapter contains the definitions of terms used in the CLA. Furthermore, this chapter explains who the CLA applies to and to what degree the CLA applies to a business partner.</i> |
| Chapter 2 Initiation and termination of a contract | <i>This chapter contains provisions about the employment contract. Provisions concern factors such as the documentation and contents of an employment contract, the duration of the contract, termination, rendering non-active and death benefits.</i> |
| Chapter 3 General obligations of the employer and employee | <i>This chapter contains provisions on the obligations of the employer such as confidentiality, liability insurance, compensation for damages and legal aid. Also, provisions on the obligations of the employee such as confidentiality, reporting of absence, additional jobs and forbidden activities.</i> |
| Chapter 4 Role scale, salary and vacation pay | <i>This chapter contains provisions on the basic principles of the ranking of a position and the procedure for re-ranking of positions, the salary scales and their applications, all types of bonuses such as the thirteenth month, periodic raises, vacation pay, stimulation, payment for covering. Lastly, provisions on the tasks of the Landelijke Bezwaren Commissie (National Committee for Disputes) have been included in this chapter.</i> |
| Chapter 5 Students and resident physicians | <i>This chapter contains provisions on the process. When a student begins to work for an employer, the employer can enter into an employment contract within the scope of professional development. The CLA includes provisions on performance expectations,</i> |

| Terms of employment | Brief description |
|--|---|
| | <i>which accommodations have been arranged for the student, salary, support as well as provisions for interns.</i> |
| Chapter 6 weekly working hours and working time | <i>This chapter contains provisions on working times. These agreements concern full-time working hours on an annual basis and how these are associated with vacation, holidays, anniversaries, sick days and disability. Working times for specific groups such as pregnant women are also discussed in this chapter.</i> |
| Chapter 7 Compensation for overtime, special services and client vacations | <i>This chapter contains provisions on compensation employees receive for overtime, special services, irregular shifts, and night watch. The procedures for employees supporting clients while they are on holiday is also discussed.</i> |
| Chapter 8 Holidays and leaves of absence | <i>This chapter contains all the agreements made pertaining to vacation days, taking these, and all other kinds of leave such as parental leave, honeymoons, and leave for committee membership and the like.</i> |
| Chapter 8A <i>Persoonlijk Budget Levensfase</i> ['personal phase-of-life budget'] (PBL): | <i>This chapter contains information on the PBL. The employee receives additional hours as compensation that are deposited into this 'budget' each year. In this way, the employer uses the PBL to stimulate sustainable employability throughout all phases of the employee's life. How the PBL is to be used is discussed at the yearly evaluation.</i> |
| Chapter 9 Reimbursement for expenses | <i>This chapter contains arrangements made for employees' expense compensation such as travel, telephone, and moving expenses and the employer's contribution to the health insurance policy.</i> |
| Chapter 10 Social policy | <i>This chapter contains provisions on social policy at the national-, facility- and employee levels. Social policy incorporates everything having to do with terms and conditions of employment and labour relations.</i> |
| Chapter 11 Labour and health | <i>This chapter includes provisions on the promotion of employee health and how employee illness is handled. Agreements on preventive measures, actions related to sick leave and re-integration and continued salary</i> |

| Terms of employment | Brief description |
|--|---|
| | <i>during illness is discussed.</i> |
| Chapter 12 Multiple-choice system of terms and conditions of employment | <i>This chapter contains provisions on flexible terms and conditions of employment. Employees can use this system to exchange sources of money and time with money- and time-related targets.</i> |
| Chapter 13 Staff participation | <i>This chapter contains agreements on accommodations and privileges for staff-participation committees. It also contains an overview of provisions that are required to be incorporated by the facilities as well as the CLA provisions that may be altered by the facility in consultation with the staff participation committee.</i> |
| Chapter 14 Accommodations for employee organisations | <i>This chapter contains provisions for employees who are members of an employee organisation. For example, the rights and privileges for members of employee organisations and union activists are included in this section.</i> |
| Chapter 15 Unemployment allowance | <i>This chapter describes agreements made on the unemployment allowances that employees are entitled to in certain situations. The duration, amount, and termination of the employee allowance is described, among other things.</i> |
| Chapter 16 Provisions on transition and guarantees | <i>This chapter contains agreements made on articles previously determined in CLAs that have since expired; for example, the CLA for hospital services and the CLA for facilities for the disabled, which have been changed or are no longer valid. Certain target groups retain the rights to these provisions. Both technical and factual provisions are discussed.</i> |
| Chapter 17 Final provisions | <i>This chapter describes a few final provisions such as the application of the CLA to temporary employees, disputes as well as information on the duration, modification and termination of the CLA.</i> |

Table 2: Overview of the CLA for Nursing Home Care, Retirement Home Care and Home Care, Postnatal Care and Youth Care 2010-2012

| Terms of employment | Brief description |
|--------------------------------|--|
| Protocol | <i>The protocol includes agreements made between parties which need not be laid down in any article contained in the CLA. These general agreements pertain to studies or projects to be conducted that are beneficial to the entire sector. Such agreements are made during meetings by members of the committee of social partners involved in nursing homes, retirement homes and home care (SOVVT).</i> |
| Chapter 1 General provisions | <i>This chapter contains definitions of concepts such as employer/employee as well as CLA applicability to employees and to what degree the CLA is applicable to employees previously falling under a different CLA.</i> |
| Chapter 2 Labour relations | <i>This chapter contains agreements made on the duration of an employee contract, provisions on termination of the contract, duration of notice before termination, and provisions on when a contract may be terminated.</i> |
| Chapter 3 Salary | <i>This chapter includes an overview of all the salary scales and the application of these. In addition, all agreements made on wages are mentioned; for example, periodic raises, special compensation, thirteenth-month bonus, pension, gifts, employee savings account, etc.</i> |
| Chapter 4 Weekly working hours | <i>This chapter contains agreements made on the number of hours an employee must work, minimum/maximum-hour contracts and 'zero'-hour contracts.</i> |
| Chapter 5 Working times | <i>This chapter contains agreements made on required working and resting hours, breaks, night shifts, weekends off, compensation for night shifts and irregular shifts, broken shifts and shifted periods of work, overtime, etc.</i> |
| Chapter 6 Work-life balance | <i>This chapter contains agreements made on all types of leaves of absence and how such periods may be taken. In addition, agreements are laid down on the topic of the personal 'life-phase' budget and how this may be spent.</i> |
| Chapter 7 Multiple- | <i>This chapter contains agreements made on</i> |

| Terms of employment | Brief description |
|--|--|
| choice system for terms and conditions of employment | <i>flexible terms and conditions of employment. Employees can use this system to exchange sources of money and time with money- and time-related targets.</i> |
| Chapter 8 Labour and health | <i>This chapter contains agreements made on employee health. Agreements include the continuation of salary payment during illness and periods of disability, risk assessment and evaluation, the occupational health system, and policies on prevention and physical taxation.</i> |
| Chapter 9 Compensation and benefits | <i>This chapter contains provisions on compensation and benefits such as reimbursement for expenses for general travel, travelling between home and work, death benefits, unemployment allowances, contribution for pension fund, employee obligations, etc.</i> |
| Chapter 10 Staff participation and accommodations for employee organisations | <i>This chapter contains provisions on personnel-council privileges, leaves of absence related to membership of an employee organisation and the promotion of the initiation of a caregiver/nursing advisory board.</i> |
| Chapter 11 Role scale | <i>This chapter contains description of basic assumptions in the ranking of a particular role. The procedure for the re-ranking of positions can also be found in this chapter.</i> |
| Chapter 12 Mergers and re-organisation | <i>This chapter contains the agreements made on the procedure to be followed if a merger or reorganisation should take place.</i> |
| Chapter 13 Basic CLA implementation procedures | <i>This chapter contains agreements made on articles previously determined in CLAs that have since expired (for example, the CLA for home care and for nursing-and retirement homes) which have been changed or are no longer valid. Certain target groups retain the rights to these provisions. Both technical and factual provisions are discussed.</i> |
| Chapter 14 Final provisions | <i>This chapter describes a few final provisions such as the application of the CLA to temporary employees, as well as information on the duration, modification and termination of the CLA.</i> |

| Terms of employment | Brief description |
|---------------------|-------------------|
| | |

Table 3: Overview of the CLA for Child Care, Child Centres and Child-minding Agencies 2010-2011

| Terms of employment | Brief description |
|---|---|
| Foreword | <i>The foreword includes agreements made between parties which need not be laid down in any article contained in the CLA. These general agreements pertain to studies or projects to be conducted that are beneficial to the entire sector. Such agreements are discussed during meetings of the committee for terms and conditions in child care (Overleg Arbeidsvoorwaarden Kinderopvang, OAK).</i> |
| Chapter 1 General | <i>This chapter contains definitions of terms used in the CLA. Furthermore, this chapter explains who the CLA applies to and to what degree the CLA applies to a business partner.</i> |
| Chapter 2 Employer-employee relationship | <i>This chapter contains provisions on the obligations of the employer, such as confidentiality, and obligations of the employee, for example, forbidden activities.</i> |
| Chapter 3 Employee contract | <i>This chapter contains provisions on the employee contract such as commencement or termination, its content and agreements on suspension and non-active status.</i> |
| Chapter 4 Weekly working hours and work times | <i>This chapter contains provisions on the duration of the contract, work times, weekly working hours and the application of the Working Hours Act.</i> |
| Chapter 5 Salary | <i>This chapter contains all the agreements made on wages; for example, entry-level role scale and salary, periodic annual raises, thirteenth-month bonus, pension, employee savings account, the continuation of salary payment during illness, death benefits, etc. A bicycle reimbursement plan is also discussed in this chapter.</i> |
| Chapter 6 Compensation and reimbursement | <i>This chapter contains provisions on compensation and reimbursement for vacation, overtime, anniversaries, compensation for home-work travel job-related travel, job-related trips, moving expenses, telephone expenses, etc.</i> |

| | |
|--|--|
| Chapter 7 Holidays and leaves of absence | <i>This chapter contains various provisions for time off; for example, vacation time, the time-off budget, leave of absence for seniors, national holidays, extraordinary leaves of absence, long-term time off for the care of significant others, etc.</i> |
| Chapter 8 Social policy | <i>This chapter contains the social policy. Three provisions are listed: 1) Working conditions as defined in the occupational manuscript (Arbocatalogus) and by risk assessment and evaluation, 2) Stimulation of diversity and 3) The establishment of a code of conduct.</i> |
| Chapter 9 Influx, career progression and professionalisation | <i>This chapter contains provisions on career progression and opportunities for employee professionalisation. These include agreements on continuing education, performance evaluations, a development scan and EVC (Eerder Verworven Competenties) (Recognition of Acquired Competence). There are also provisions for students with internships or are employed in programmes for simultaneous working and learning.</i> |
| Chapter 10 Staff participation | <i>This chapter contains articles pertaining to various ways in which staff may participate such as having the right to vote; support for personnel councils and employee representation committees, compilation of the management team, reorganisation, mergers, leave of absence for union activities, accommodations and contributions are also discussed.</i> |
| Chapter 11 Disputes | <i>The final chapter contains information on the procedures in place for handling disputes.</i> |

APPENDIX 2 BASIC FUNDING FOR THE HEALTH AND WELFARE SECTOR

The *Wet maatschappelijke ondersteuning (Wmo)* (Social Support Act) was introduced in 2007 and was intended for elderly persons with a disability or chronic mental disorder. The *Wmo* is executed at the municipal level and one can consult with the local government to request support for a client; whether support is granted and what type is determined at this level.

The *Zorgverzekeringswet (Zvw)* (Dutch Health Insurance Act) was implemented in 2006 and is a part of the Dutch health care system. Under this law, health insurance is required of everyone and everyone is insured under the *AWBZ* (Algemene Wet Bijzondere Ziektekosten) (General Exceptional Medical Expenses Act). This applies to all Dutch citizens and persons living abroad but receiving income from labour from the Netherlands.

The *Algemene Wet Bijzondere Ziektekosten (AWBZ)*¹² covers expenses not falling under health insurance plans. The *AWBZ* is an obligatory collective health insurance. Before persons are entitled to *AWBZ* funding, the *Centrum indicatiestelling zorg (CIZ)* (Care Needs Assessment Centre) will ascertain if an indication for care exists. The *CIZ* will then determine what type of care is needed, how much care and for how long. The *AWBZ* fund pays for various types of care, including (*Rijksoverheid*, 2012):

- Personal grooming (assistance with dressing and showering)
- Nursing care (in the home)
- Support (help with activities of daily living enabling a patient to live at home for as long as possible)
- Treatment (assistance during recovery of an illness and/or helping ensure the illness/disability does not worsen)
- Short- or long-term hospitalisation in a care facility

The way *AWBZ* funding is paid out depends on the user's personal situation. There are currently four ways:

1. *Health care in kind*

Care is arranged by a health care mediator. This mediating enterprise will have various health care providers from which a client can choose. The mediator makes arrangements for the payment of the invoice.

1. *Persoonsgebonden Budget (PGB)* (Personal Budget)

¹² Rijksoverheid (2012a) '*AWBZ Zorg in 2012: Hoe krijgt u de zorg waar u recht op heeft*' [AWBZ for healthcare in 2012 - How do you obtain the care you are entitled to?], PDF Document, URL: <http://www.rijksoverheid.nl/onderwerpen/algemene-wet-bijzondere-ziektekosten-awbz/documenten-en-publicaties/brochures/2011/12/23/awbz-zorg-in-2012-hoe-krijgt-u-de-zorg-waar-u-recht-op-heeft.html>

Only clients who are entitled to long-term care in a facility may continue to make use of the PGB. A client then receives a PGB with which he/she can buy his/her own care. A client must contract a care provider and is responsible for the associated administration.

2. *Vergoedingsregeling persoonlijke zorg (VPZ)* (compensation for personal care)

The VPZ was implemented in January 2012. Clients can still buy care under this new system. Clients who need personal grooming, nursing, support or short-term hospitalisation are entitled to make use of this fund.

3. *A combination of health care in kind and the personal budget or personal care compensation*

Clients may opt for a combination of these forms.

A few provisions falling under the *AWBZ* will be modified in the future. The current government has decided to decentralise some of the tasks related to the *AWBZ* (AZW, 2011). For example, day activities and support will be transferred to the *Wmo* and short-term rehabilitative care will then fall under the Health Care Insurance Act.

APPENDIX 3 LIST OF STAKEHOLDERS

Members of the Dutch Association of Health care Providers for People with Disabilities (*VGM*) have discussed the draft version of this national report with various stakeholders during three committee meetings. Below is an overview of the representatives who were present at these meetings and who provided their input on the draft national report.

| Stakeholder meeting | Organisation | Represented by: |
|--|---|----------------------------------|
| 1.OAGZ– <i>Overleg Arbeidsvoorwaarden Gehandicaptenzorg</i> (Committee for Terms and Conditions in Caring for the Disabled) | <i>Abvakabo</i> | Mr W.W.M. (Wim) van der Hoorn |
| | <i>CNV</i> | Mr A. (Aaldert) Mellema |
| | <i>Nu '91</i> | Ms J. (Jacqueline) den Engelsman |
| | <i>FBZ</i> | Mr B.H.G. (Bert) Steehouder |
| 2. <i>Adviescollege voor Arbeidszaken Gehandicaptenzorg</i> (advisory board for labour-related affairs in the care of the disabled) : Managers of facilities for the care of the disabled who represent the branch in terms of labour-related affairs | <i>Sherpa</i> | Mr J.A.P.M. (Anton) Maas |
| | <i>Stichting SOVAK</i> [SOVAK Foundation] | Ms H.G. (Heleen) Griffioen |

| | | |
|--|---|----------------------------|
| Absent but had the opportunity to provide written supplementation | | |
| | <i>MEE</i> Utrecht | Mr J.M. (Hans) de Dreu |
| | Promens Care | Mr W. (Wiecher) Haddingh |
| | <i>Stichting Talant</i> [Talant Foundation] | Mr F. (Erik) Kuik |
| | <i>Maeykehiem</i> Foundation | Mr H.J. (Henk) Laros |
| | <i>'s Heeren Loo</i> | Mr H.J. (Henk) Prins |
| 3. <i>AZO - Arbeidszaken Zorgbranche Overleg</i> [committee for labour-related affairs in health care] | | |
| | <i>BOZ Brancheorganisaties Zorg</i> [organisations in the health care branch] | Mr J. (Johan) van der Spek |
| | <i>ActiZ</i> | Mr A. (Adriaan) Wirtz |
| | <i>NVZ</i> | Mr T. (Tjitte) Alkema |
| | <i>GGZ Nederland</i> | Ms D. (Dineke) Moerman |
| | <i>GGZ Nederland</i> | Mr H. (Henk) Meppelink |
| | <i>NFU - Nederlandse Federatie van Universitair Medische Centra</i> (Dutch Federation of University Medical Centers) | Mr D. (Dirk) Kramer |
| Provided input in writing | | |
| | <i>Brancheorganisatie Kinderopvang</i> (<i>Branch Organisation for Child Care</i>) (branch organisation for child care) | Ms H. (Hélène) Arons |

| <i>Abbreviation</i> | <i>Dutch</i> | <i>English</i> |
|---------------------------------------|---|--|
| <i>CAOP</i> | <i>Centrum Arbeidsverhoudingen Overheidspersoneel</i> | Centre for Labour Relations |
| <i>VGN</i> | <i>Vereniging Gehandicaptenzorg Nederland</i> | Dutch Association of Healthcare Providers for People with Disabilities |
| <i>FTEs</i> | | full-time equivalents |
| <i>MEE</i> | <i>MEE Nederland</i> | ("join") |
| <i>VVT</i> | <i>Verpleeghuizen, Verzorgingshuizen en Thuiszorg</i> | nursing homes, retirement homes and home care activities |
| <i>PESSIS</i> | | Promoting Employers' Social Services Organisations In Social Dialogue |
| <i>ActiZ</i> | | An employer organisation responsible for the VVT branch |
| <i>BTN</i> | <i>Branchebelang Thuiszorg</i> | home-care branch advocacy group |
| <i>Abvakabo FNV</i> | | Trade union |
| <i>CNV Publieke Zaak</i> | | Trade union |
| <i>NU'91</i> | | Trade union |
| <i>FBZ</i> | | Trade union |
| <i>Branchevereniging Kinderopvang</i> | | Branch Organisation for Child Care |
| <i>MOgroep</i> | <i>Maatschappelijke Ondernemers Groep</i> | Employer organisation for the child care branch |
| <i>Vakbond de Unie</i> | | Trade union |
| <i>SER</i> | <i>Sociaal-Economische Raad</i> | The Social and Economic Council of the Netherlands |
| <i>StAG</i> | <i>Stichting Arbeidsmarkt</i> | Labour-market |

| | | |
|-----------------|--|--|
| | <i>Gehandicaptenzorg</i> | association for the care of the disabled |
| <i>A+O VVT</i> | <i>Stichting Arbeidsmarkt- en Opleidingsbeleid Verpleeg-, Verzorgingshuizen en Thuiszorg</i> | Association for policies on the labour market and education related to nursing homes, retirement homes and home care |
| <i>FCB</i> | <i>Fonds Collectieve Belangen</i> | collective interests fund |
| <i>WOR</i> | <i>Wet op de ondernemingsraden</i> | Works Councils Acts |
| <i>VWS</i> | <i>Ministerie van Volksgezondheid, Welzijn en Sport</i> | Ministry of Health, Welfare and Sport |
| <i>SZW</i> | <i>Ministerie van Sociale Zaken en Werkgelegenheid</i> | Ministry of Social Affairs and Employment |
| <i>FCB WJK</i> | <i>Welzijn en Maatschappelijk Dienstverlening, Jeugdzorg en Kinderopvang</i> | Welfare and social services, Youth Care and Child Care |
| <i>CBS</i> | <i>Centraal Bureau voor de Statistiek</i> | Statistics Netherlands |
| <i>EASPD</i> | | The European Association of Service Providers for Persons with Disabilities |
| <i>GGZ</i> | <i>geestelijke gezondheidszorg</i> | Mental health care |
| <i>W&MD</i> | <i>Welzijn en maatschappelijke dienstverlening</i> | Community services and welfare |
| <i>AWBZ</i> | <i>Algemene Wet Bijzondere Ziektekosten</i> | General Exceptional Medical Expenses Act |
| <i>Wmo</i> | <i>Wet maatschappelijke ondersteuning</i> | Social Support Act |
| <i>BTN</i> | <i>Branchebelang Thuiszorg</i> | Branch Organisation for Home Care |

| | | |
|---|--|--|
| <i>LRK</i> | <i>Landelijk Register Kinderopvang en Peuterspeelzalen</i> | National register for child care and nursery schools |
| <i>CLA</i> | | Collective Labour Agreement |
| <i>UAW</i> | <i>(Uitvoeringstaken Arbeidsvoorwaardenwetgeving)</i> | Executory division for CLA-related legislation |
| <i>OAGz</i> | <i>Overleg Arbeidsvoorwaarden Gehandicaptenzorg</i> | Committee for Terms and Conditions in Caring for the Disabled |
| <i>FBZ</i> | <i>Federatie van Beroepsorganisaties in de Zorg</i> | Federation of Professional Care Organisations |
| <i>PBL</i> | <i>Persoonlijk Budget Levensfase</i> | age-related personal employee budget for extra time off or compensation |
| <i>SOVVT</i> | <i>Overleg Verpleeg-, Verzorgingshuizen en Thuiszorg</i> | committee of social partners involved in nursing homes, retirement homes and home care |
| <i>OAK</i> | <i>Overleg Arbeidsvoorwaarden Kinderopvang</i> | Committee for the Terms and Conditions of Employment in Child Care |
| <i>BKN</i> | <i>Branchevereniging Ondernemers in de Kinderopvang</i> | Association of Entrepreneurs in the Child Care Branch |
| <i>VNO-NCW</i> | <i>Werkgeversorganisatie Vereniging VNO-NCW</i> | The Confederation of Netherlands Industry and Employers |
| <i>MKB (employer organisation for small and medium-sized businesses):</i> | <i>Midden-en klein bedrijf</i> | small and medium-sized businesses |

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|---------------|--|--|
| <i>CNV</i> | <i>Christelijk Nationaal Vakverbond</i> | Christian Trade Union Federation |
| <i>MHP</i> | <i>Vakcentrale voor Middengroepen en Hoger Personeel (MHP)</i> | (Confederation of trade unions for mid- to highly skilled personnel) |
| <i>PFZW</i> | <i>Pensioenfonds Zorg en Welzijn</i> | Health and Welfare Pension Fund |
| <i>WEB</i> | <i>wet Educatie en Beroepsonderwijs</i> | Education and Vocational Training Act |
| <i>AZW</i> | <i>Arbeidsmarkt Zorg en Welzijn</i> | The Labour Market in the Health and Welfare Branch |
| <i>OofGGZ</i> | <i>Stichting O&O-Fonds Geestelijke Gezondheidszorg</i> | labour-market association for the care of the mentally disabled |
| <i>BKK</i> | <i>Stichting Bureau Kwaliteit Kinderopvang</i> | Dutch association for quality in child care |
| <i>EVC</i> | <i>Eerder Verworven Competenties</i> | Recognition of Acquired Competence |
| <i>OR</i> | <i>ondernemingsraad</i> | personnel council |
| <i>PVT</i> | <i>personeelsvertegenwoordiging</i> | employee-representation |
| <i>PGB</i> | <i>persoonsgebonden budget (personal budget)</i> | personal budget |
| <i>AOW</i> | <i>Algemene Ouderdomswet</i> | General Elderly Pensions Act |
| <i>VMBO</i> | <i>voorbereidend middlebaar</i> | preparatory mid-level vocational education |
| <i>Oke</i> | <i>Wet Ontwikkelingskansen door Kwaliteit en Opleiding</i> | Development Opportunities Through Quality and Education Act) |
| <i>Zvw</i> | <i>Zorgverzekeringswet</i> | Dutch Health Insurance Act |

| | | |
|------------|--|--------------------------------|
| <i>CIZ</i> | <i>Centrum indicatiestelling zorg</i> | Care Needs Assessment Centre |
| <i>VPZ</i> | <i>Vergoedingsregeling persoonlijke zorg</i> | compensation for personal care |

National Report Scotland



SCOTTISH COUNCIL FOR
SINGLE HOMELESS

**SCOTTISH COUNCIL FOR
SINGLE HOMELESS**

DR. EVGENIYA PLOTNIKOVA



Supported by: DG Employment, Social Affairs and Inclusion

1. Introduction

Purpose and report structure

The aim of the research project 'Project PESSIS: Promoting employers' social services in social dialogue' is to provide a detailed understanding of how social dialogue is organised and structured (or not) in the social services sector in Europe. It aims to identify barriers to increased cooperation among employers in the sector. The term social dialogue is defined as 'a dialogue between employers and employees'. Eleven national studies will contribute to an overall European perspective of social dialogue in the social services sector, outlined in the European summary report.

Each national report presents a 'picture' of how social dialogue is organised at local, regional and national levels and has addressed the following six research questions:

1. What is the size of the social services sector, both in terms of workforce and of employers in aggregated value?
2. How well represented is the sector in terms of number of employers and workers covered by collective agreements?
3. What are the types of social dialogue or collective agreements that exist?
4. How many employers of the sector are involved in social dialogue and at what level?
5. What are the key labour issues dealt with and at what level?
6. Are there any labour issues that could be dealt with at European Union (EU) level?

'Social services' is a term that can be interpreted in different ways across Europe but for the PESSIS project, the key groups included are:

- Long-term care for older people;
- Care and rehabilitation for people with disabilities;
- Child care.

'Social services' may also cover a range of other services, for example, services for homeless people. These have been included only when they



have particularly strong systems of social dialogue. The main focus of each national report is on the three key groups listed above.

The terms public, for-profit and not-for profit sectors are widely used across Europe. They are defined in this report as:

Public sector – Government departments, public sector agencies or municipal authorities commission social services in many countries and contract for-profit and / or not-for profit providers to deliver social services. In some countries, social services may still be delivered by municipal or regional government authorities. Public authorities (national, region or local government) may fund social services by providing money directly to individuals.

For-profit sector – Providers of social services which operate to make a profit. They may operate with shareholders or they may be private companies, owned by one or more individuals. In some countries, family businesses deliver social services. They may be large or small in size.

Not-for-profit sector – Providers of social services, which do not operate to make a profit. In some countries this sector may be called the voluntary or charitable sector. In some countries, volunteers deliver some of the services for the not-for-profit sector.

This report focuses on the Scottish experience of social dialogue in the social services sector. It consists of four sections, a list of references and annexes.

Section 1 describes the research methodology and introduces the summary of major findings.

Section 2 starts with the definition of the social services sector in Scotland. It continues with a description of the size, delivery and the types of social service providers operating in the sector. It then presents the socio-demographic profile of the workforce. Section 2 concludes with an overview of recent developments in the sector and their impact on industrial relations.

Section 3 of this report investigates the status of social dialogue in the social services sector in Scotland. It first characterises the social dialogue in Scotland as a reflection of industrial relations in the UK. Then it describes the development of social dialogue in Scotland by looking at the available statistical data on the trade union density, coverage by collective agreements



and stakeholders' perceptions of social dialogue and their relations with social partners at the EU level.

Finally, **Section 4** summarises concluding remarks and recommendations.

Methodology

The fieldwork and data analysis for this project was conducted during three months from February to May 2012. This report is based on analysis of primary and secondary sources and presents quantitative and qualitative evidence. The quantitative part of this report summarises statistical data on the size of the sector in terms of workforce and registered services, trade union membership and coverage by collective agreements. The qualitative component includes quotations from service providers, employees' and employers representatives to illustrate the key points expressed by these stakeholders⁷⁸ in relation to the research agenda. Primary data was collected by means of individual and group interviews with key stakeholders from the social services sector in Scotland (see Annexes 1, 2). The group of secondary sources included policy documents, reports and data produced by the stakeholders in the sector: regulatory bodies - the Scottish Social Service Council (SSSC)⁷⁹ and the Care Inspectorate (CS)⁸⁰, the Scottish Government, associations of employers (the Coalition of Care and Support Providers in Scotland (CCPS)⁸¹ and Convention of Scottish Local Authorities (COSLA). The group of secondary data also included analysis of relevant academic articles (see the list of references).

As previously mentioned, two methods were applied to collect primary data: group discussion and individual interviews with key stakeholders in the sector. Firstly, preparatory work was undertaken to organise group discussion at a national event. It was originally planned to invite 10-12 participants from across Scotland. We approached approximately 40 stakeholder organisations. Among these were: employees' representatives (trade unions), employers' associations, regulatory bodies and individual employers working with the specified target groups of the project. The latter were distinguished between public service providers (local authorities), voluntary (not-for-profit) organisations and private service providers (such

⁷⁸ In this report the term stakeholders include: employees' representing bodies (professional organisations and trade unions), service providers (public, private and not-for-profit), regulatory bodies and employers' organisations.

⁷⁹ The SSSC is the regulatory body which is responsible for registering social workers and regulating their education and training.

⁸⁰ The Care Inspectorate is the regulatory body responsible for the regulation and inspection of care and children's services.

⁸¹ The Coalition of Care and Support Providers in Scotland (CCSP) is an organisation which represents third sector and not-for-profit social care and support providers in Scotland.

as care homes). The focus was on service providers in the key areas prioritised in the project: long-term care for elderly, care and rehabilitation for people with disabilities, and child care. Also additional sub-sectors such as support for homeless people, personnel recruitment services for social service providers and services for ex-offenders were included in this analysis.

Identified participants were notified about the event by phone and emails. The main challenge in organisation of this event was the low response rate received from stakeholders. Partially this could be attributed to a lack of time on the part of potential participants, especially local authorities, due to the local elections running in May 2012. It also became apparent that those stakeholders approached had no or limited awareness of the concept of social dialogue and as such did not see engagement with the research project as a priority when already working under time and resource constraints due to the economic situation. At the final stage of recruitment only four participants agreed to take part in the group discussion at the national event (see Annex 1).

The group discussion took place on 13th of March 2012. It was split into four blocks. The meeting started with presentation of the PESSIS project, its aims and methods. In the second block the participants were asked to characterise recent developments in the social services sector in Scotland and their impacts on relations between employers and employees. It was followed by a discussion of participants' practices of negotiations and consultations with respective social partners. Finally, the meeting was concluded with a discussion of stakeholders' experiences of their current and/or potential involvement in social dialogue at the European level. The meeting was productive as it provided an opportunity to observe a diverse group of stakeholders exchange information and opinions about the current challenges and industrial relations in the social services sector in Scotland. Gaining insight into the level of understanding of social dialogue across the three sectors was particularly illuminating and useful.

The second round of primary data collection included individual phone conversations and face-to-face interviews with trade union officers, individual employers, employers' associations and one official from a regulatory body. In total 12 interviews were conducted (see Annex 2). The interview guide was designed in accordance with the questions set up in the PESSIS project (see Research Briefing Paper). The interview questions were tailored to the interviewee's position and the field of expertise.

The **major findings** which emerged from analysis of policy documents, group discussion and interviews could be summarised as follows:

- There are about 198,600 persons who are employed in the social services sector in Scotland and a little less than 14,000 services registered. The largest sub-sectors by workforce are: care homes for adults, day care for children and housing support and care at home. In terms of registered service providers the largest sub-sector is child care related services, namely childminding and day care of children;
- There are three principal types of social services providers in Scotland: public (local authorities and the NHS), non-profit (voluntary organisations) and private providers (such as care homes and recruitment agencies). The composition of different types of service providers varies across local authorities. However, the research data reveals the growing workforce numbers in the private sector. The private sector tends to specialise in the provision of residential care services, and their market share is likely to therefore grow further in light of estimated ageing population trends;
- The social dialogue in the social services sector in Scotland, to a large extent, reflects the wider British model of industrial relations. The latter is typically characterised by a voluntary and decentralised nature of employee-employers' negotiations within the private sector where collective bargaining takes place predominantly at the company level; and a highly unionised public sector with collective bargaining and consultations taking place at the national and local levels at the other end of the spectrum;
- It is hard to estimate the density of trade union membership and collective agreement coverage in the social services sector in Scotland as no systematic data is collected either by trade unions, employers' associations or regulatory bodies. Only fragmental evidence is available from statistical data on public employment and estimations of officials in employers' associations, trade unions and regulatory bodies operating in the sector;
- The meaning of social dialogue in stakeholders' understanding goes beyond industrial relations. Research participants defined social dialogue as a discussion between various parties which aim to share good practice, establish trust and communication. Employers as well as employees' representatives stated that involvement of service users is the crucial component in fostering social dialogue in the social services sector;
- Service providers in both voluntary and private sectors demonstrated a relatively passive level of their involvement in the social dialogue at the EU level. They perceive institutions at the EU level as regulatory bodies rather than partners in social dialogue. However stakeholders are quite positive in

building links and developing discussion with European partners on the issues of procurement, consequences of the Working Time Directive, cross-border mobility of social workers, regulation of agency workers and support for small-size organisations in the social services sector.

2. The Social Services Sector in Scotland

Definition

Following devolution in 1999 the Scottish Government took on the responsibility to manage and regulate the social services sector. The Scotland Act 1998 established a legislative and executive responsibility for competence by the Scottish government in the delivery of social services. The Regulation of Care Act (Scotland) which followed in 2001 provided a conceptual framework for the operation of social services in Scotland. It defined the sector as including '*all social work services provided by local authorities and those services which are commissioned and provided by the voluntary and private sectors*' (Scottish Executive, 2006). The Regulation of Care Act grouped services into the following sub-categories⁸²:

- a support service⁸³;
- a care home service;
- a school care accommodation service;
- an independent health care service;
- a nurse agency;
- a child care agency;
- a secure accommodation service;
- an offender accommodation service;
- an adoption service;
- a fostering service;
- an adult placement service;
- childminding;
- day care of children;
- housing support service.

⁸² A detailed definition of each type of these social services is given in the Regulation of Care Scotland Act (2001).

⁸³ A 'support service' is a service provided, by reason of a person's vulnerability or need. However it does not include a care home service, an independent health care service, a service which provides overnight accommodation, an adoption service, a fostering service or a service excepted from this definition by related regulations (The Regulation of Care (Scotland) Act, 2001).

Apart from the conceptual framework the Regulation of Care Act (Scotland) established two regulatory bodies – the Scottish Social Services Council (SSSC) and the Scottish Commission for the Regulation of Care (later transformed into the Care Inspectorate). The Scottish Social Services Council was organised to set up and promote the national education, training and accreditation standards for the social services workforce. The regulation and inspection of care services is the responsibility the Care Inspectorate. The latter was established in 2011 and took over functions which were previously carried out by three agencies: Her Majesty's Inspectorate of Education (HMIE), Social Work Inspection Agency (SWIA) and the Care Commission.

The devolved responsibility for the social services sector has resulted in a number of differences in organisation, regulation and ideological principles in the delivery of social services in Scotland. It is recognised that one of the key policy divergences in Scotland after devolution is free (non means tested) personal care for older people. Scotland is the only part of the UK which has introduced free personal care for older people both in care homes and in their own homes (Bell and Bowes, 2006). In other countries of the UK to qualify for 'the free of charge' social services one needs to provide evidence of low income status. Some scholars tend to connect this divergent policy with the ideological distinctiveness of the Scottish social care context. As Birrell (2007) summarises Scotland has a stronger emphasis, compared to England, on collectivist values, redistribution and social equality which is reflected in the delivery of social services.

2.2 Delivery and finance

Delivery of social services in Scotland has been traditionally managed by social work departments within Local Authorities of which there are 32⁸⁴ (Dickens, 2012). The role of LAs in social services provision in Scotland has always had its own character and this diversity has been further reinforced by devolution.

On the one hand, they are responsible for strategic commissioning, while on the other they provide a range of social services themselves. Prior to strategic commissioning, LAs undertake evaluation of community needs in relation to social services. Based on this evaluation LAs develop strategic planning and commissioning of social services in their designated territories. The core of the commissioning is organisation of competitive tendering between service providers - voluntary or private organisations. Based on the

⁸⁴ Local government in Scotland is represented by 32 local authorities - elected councils. The vast share of their funding comes from the Scottish government and Council Tax which is set by each authority.

results of the tendering each LA decides from which provider to purchase social services and which are more appropriate to satisfy the community demand. Once the choice is made, the LA negotiates a legally binding contract with the selected provider.

The other role of LAs is as an actual provider of their social services. The type and share of services provided by LAs is discussed further (see section 2.3). As mentioned above previously each LA had a social work department⁸⁵ which provided a wide range of social services. However today following the reorganisation in LAs some social work departments have merged with other LA organisational structures and services such as housing, community care, health care and education (Lowe, 2009).

One of the examples of the close intersectional co-operation in the provision of social services takes place between local authorities and public health institutions. For instance, the health and social care department in the City of Edinburgh Council employs 3,500 council and 2,000 NHS staff. These employees offer services for people with mental health problems, with physical and learning disabilities and support for elderly people (either at home or in residential care). The Health and Social Care department in Edinburgh City Council also supervises some offenders living in the community, such as those on probation for example (City of Edinburgh Council, 2012).

The crossover between health and social care institutions across Scotland was strengthened in 2002 when the Scottish Executive facilitated closer working relations between LAs and the NHS (Community Care and Health (Scotland) Act 2002). The greater integration between LAs and NHS organisations in social services provision was further enhanced by the creation of Community Health Partnerships (CHP) which came into existence in 2005 following the National Health Service Reform Act (2004). These Community Health Partnerships were established to plan and deliver health and social care in primary and community settings. Currently there are 34 Community Health Partnerships (CHPs) in Scotland, including 14 Health Boards and 32 councils. Normally the CHP consists of the Health Board which develops local community health services in co-operation with their local authority partners.

Today a further integration of adult health and care services is high on the agenda of political debate in Scotland. The aim of this is to further enhance the integrative approach in health and care delivery and to provide a better access to services through improved joint working between health and social

care providers. The core principles constituting this integration are defined by the Scottish Government (2012) as follows:

- a) Nationally agreed outcomes that apply across adult health and social care;
- b) Joint accountability to Ministers, local government Leaders and the public for delivery of those outcomes;
- c) A single integrated budget for each partnership that includes community health, adult social care and elements of acute spend; and
- d) Strong clinical and professional leadership and engagement of the third sector in commissioning and planning of services.

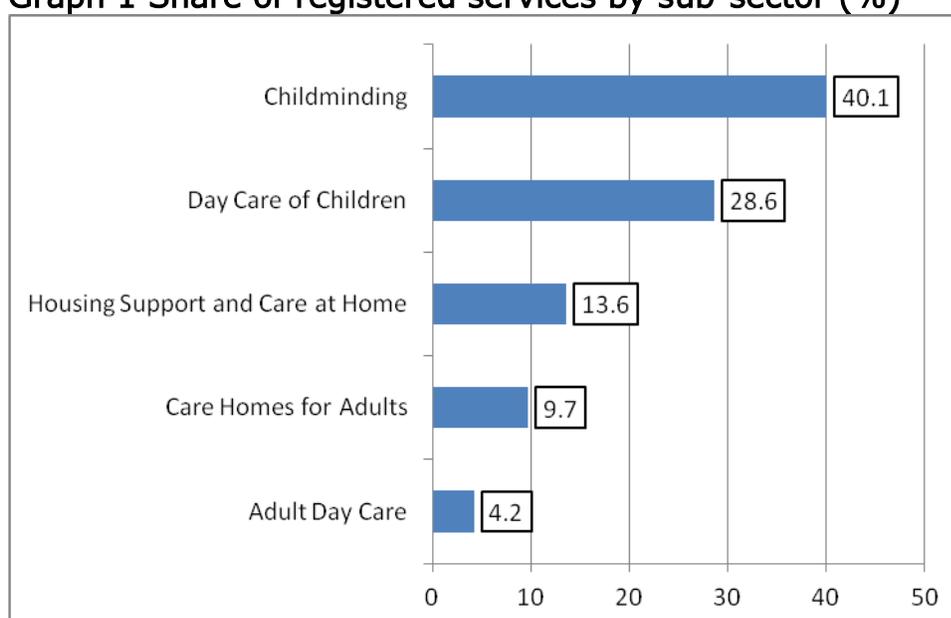
The key elements of the new integrated system will include the replacement of the CHPs with Health and Social Care Partnerships – a joint responsibility of the NHS and local authority with a focus on investment of human and financial resources towards community provision rather than institutional care only with the appointment of a single senior officer accountable for the delivery of the partners' joint objectives. The research undertaken has shown that reformation of the health and care service delivery causes significant concerns amongst stakeholders about the pay and work conditions of both health professionals and social workers as well as about the financial foundation for this partnership (see section 2.4).

Currently the financing of social services in Scotland is derived from two major sources: transfers from the Scottish Government (which cover the bulk of the budget) and the local taxation, the Council Tax, which is an annual tax on domestic property paid by residents. In cases where Community Health Partnerships are established the delivery of care services is financed from integrated budgets controlled by NHS Boards and Local Authorities.

2.3 Size and composition⁸⁶

The latest available data indicates that in 2010 there were 13,829 registered services in Scotland (SSSC, 2011). They are distinguished between 18 categories of social care (see Annex 3). Among these, the largest share of functioning services falls in the following sub-sectors: childminding (40.1%) and day care of children (28.6%). Services registered in housing support and domiciliary care, care homes for adults and adult day care represent 13.6%, 9.7% and 4.2% accordingly. The individual shares of registered services in the remaining sub-sectors do not exceed 4%.

Graph 1 Share of registered services by sub-sector (%)



⁸⁶ Data on the size and structure of the sector in Scotland is available from a number of sources. First, at the UK-level there is the Labour Force Survey (LFS) which is produced by the Office of National Statistics (ONS). However, it is argued that the LFS uses a slightly different and a narrower approach to the definition the social services sector in Scotland. Therefore, it becomes problematic to use LFS data for comparative purposes with similar data produced by Scottish institutions (SSSC, 2011). The second source is the Scottish Government's annual census of staff employed in local authority social work services (LASWS). The third source of data is the Care Commission which requires all social service providers to complete an annual report that must contain information on each provider's workforce. The fourth source of information is the SSSC and its register of social workers and social services staff. The attempt to join these sources was recently taken by the SSSC and resulted in the report which summarises the current trends in the workforce development in the Scottish social services sector (SSSC, 2011). The present report reflects on this summary and brings fragmental evidence available from other sources such as employers' and employees' representative bodies.

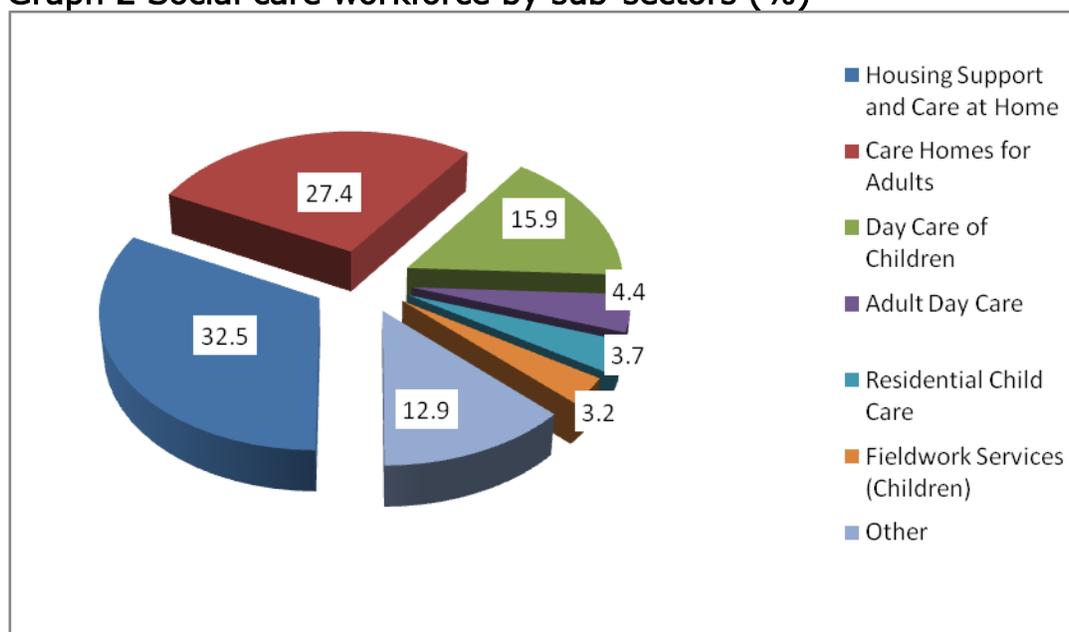
Over the last two years the number of registered services has decreased by 3.1% - from 14,272 in 2008 to 13,829 services in 2010 (SSSC, 2011). The reason for this decrease could be seen in the economic downturn after 2007 which strengthened the competition between service providers and forced some small institutions to merge with large organisations or close down.

Based on estimations made in 2010, the aggregate number of employees in the social services sector in Scotland was 198,690 people⁸⁷ (SSSC, 2011). Compared to the period of active workforce growth from the mid-90s to 2005/06 the current level of the workforce growth in the social services sector has slowed down and dropped to an annual rate of 0.5. Considering that the total population of Scotland is just above 5 million this aggregate estimation still remains at a quite high level. However a future staffing shortage in the social services sector, especially in elderly care, is recognised by the service providers as a topical issue due to the increasing rate of population ageing (Scottish Government, 2010).

Based on sectoral division, there are three large sub-sectors (by workforce) in social services. One-third of the workforce is employed in housing support and domiciliary care (32.5%). A little less works in care homes for adults (27.4%). Finally, the third largest sub-sector by workforce is the day care of children (15.9%). Each of the remaining sub-sectors employs less than 5% of total workforce (see Graph 2).

⁸⁷ This number doesn't include personal assistants and individual care workers who were employed directly by the service users.

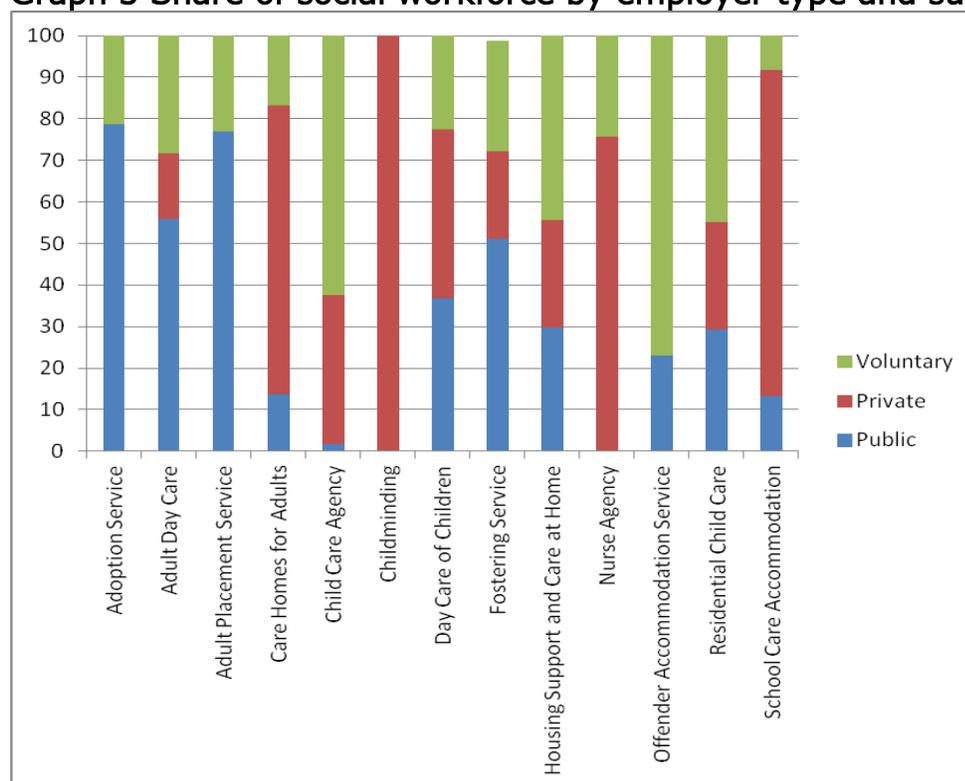
Graph 2 Social care workforce by sub-sectors (%)



Based on the differentiation of employers by type, the Scottish social services sector represents a composition of private (for-profit), voluntary (non-profit) and public organisations (NHS and Local Authorities). The distribution of workforce across service providers indicates the dominant position of the private sector. The share of workers employed in the private-sector is 39.9%, while the public sector employs 33.9% with the voluntary sector providing the remaining 26.0% of the total workforce in the social services sector (SSSC, 2011).

An aspect of interest is that in each group of social services there is a dominating type of service provider: either in public, voluntary or private sector. For instance, in childminding the absolute majority of staff (100%) is in the private sector. A similar tendency is observed in the sectors of care homes for adults, school care accommodation and nursing agencies, within which the share of private sector social workers stands at 69.5%, 78.5% and 75.8%, respectively. The voluntary organisations dominate (by the workforce share) in offender accommodation services (76.9%) and child care agencies (62.5%). The public sector workforce is predominantly represented in the adoption service (78.6%), adult placement service (76.9%) and adult day care (55.9%). The only exceptions are: residential child care, housing support and care at home and day care for children where no definite predominance is revealed. The dominance of a sector in a particular stream of provision is therefore also likely to impact upon the level of social dialogue engaged in.

Graph 3 Share of social workforce by employer type and sub-sector (%)



In terms of the territorial distribution the largest share of social workers are employed in Glasgow (13.7%), Edinburgh (9.0%) and Fife (6.4%). The composition of public, private and voluntary providers varies across the 32 local authorities. The general trend reveals that the public sector remains the dominant employer only in less than 1/3 of local authorities. Among these the distinctive examples are island territories (Shetlands, Orkneys and Western Isles) where public social workers constitutes 2/3 of the total workforce. In the rest of the local authorities the leading position in terms of employed workforce is taken by the private sector. There is only one exception of Glasgow City Council where the voluntary sector is the largest service provider (SSSC, 2011).

Finally, the workforce socio-demographic profile is presented in relation to the type of employer. Employees in the public sector have the oldest age profile. The median age of public employees in social services is 46 years which is six and three years older compared to employees in the private and voluntary sectors, respectively. In terms of gender balance social service provision still remains predominantly a female profession with only 16% of the workforce being male. The latter are employed mainly in school care accommodation, offender accommodation services, fieldwork services (offenders) and residential child care.

The ethnic profile of social services workers is not diverse with only 4% of the total sector's workforce representing ethnic minorities. There is a slightly higher share in the private sector – 6%⁸⁸. Taking into account that by ethnic composition the Scottish population is relatively homogeneous with only 2% of ethnic minority groups making up the total population (STUC, 2004), it is noteworthy that social services encompass a slightly higher share of persons from ethnic minority groups.

Current agenda and key challenges

Analysis of policy documents, academic articles and transcripts of the national meeting and individual interviews with stakeholders in the sector indicated a number of topical issues which are currently discussed at the policy level in relation to the future of the social services sector in Scotland.

Firstly, stakeholders expressed concerns with the competitive nature of (re)-tendering systems in social services provision in Scotland. The tendering process, particularly in the current climate of budget cuts, it is perceived, results in the worsening of both the quality of care delivery and employees' work conditions. Voluntary service providers and the representative of the regulatory body all stressed that the public sector commissioners (local authorities) are putting pressure on the service costs which negatively affect working conditions in terms of delivery and reduce funds available for personnel training, development and support. As the SSSC officer highlighted:

'At the moment it is often the case that employers are not able to give enough support to the training of staff, with small organisations in particular having a lack of resources to do so. The long-term consequences of this is that trained and qualified professionals may not be able to sit further required CPD accreditation and therefore not be able to practice if the employer doesn't sponsor these' (SSSC officer).

The temporary contracting and sub-contracting which are the common features in social services delivery, alongside the frequent transition of contracts between service providers, curtail the value of the sector and provided services. The officer in the voluntary organisation providing housing services stressed that:

⁸⁸ But as noted in the SSSC report this data should be taken carefully as the ethnic-related information collected by the Care Inspectorate contains a high 'non-response' rate (SSSC, 2011).

'The temporary contracting is a quite typical feature of the sector and there is little recognition of the value and the nature of services provided. Another problem is the replacement of funds which regularly leaves gaps in funding in on-going projects' (Voluntary service provider, Housing services).

Moreover sub-contracting creates uncertainty for employees fostering the practice of unstable pay and working conditions, insecure pensions and benefits with subsequent impact on morale, motivation, sickness levels and recruitment retention. The system of tendering in social services delivery, as expressed by the voluntary service provider, makes it difficult for employers to demonstrate a commitment to the staff in the long-term.

'[There is a] disappointment as an employer in the inability to honour the promises of quality standards previously attained' (Voluntary service provider, Services for ex-offenders).

The absence of a universal regulatory framework in the tendering process and the lack of connection to the procurement were named as another problem in the sector. Diversity in conditions and rules for tendering applications across local authorities creates an additional barrier for the service providers operating in the field. Participants agreed that such barriers exclude small organisations from competition for the contracts and foster the domination of the large service providers:

'Now smaller organisations have to settle for smaller, sub-contracted portions with substantial contracts being given to large single organisations' (Voluntary service provider, Services for ex-offenders).

This opinion was supported by another participant of the national meeting. He stated that budget cuts foster unhealthy competition in the sector which leads to low quality applications where some providers are not necessarily the experts in the field:

'...people putting in for contracts not necessarily in their area of expertise or in geographical areas that are not known to them' (Private sector, Recruitment service).

The service providers at the national meeting expressed concerns with the current ideological (as they perceived it), shift in service provision which promotes money saving and encourages provision of more services for less costs. In practice this results in reduced budgets for the training of personnel and impacts on quality of services and conditions for employees.

'Training budgets are nowhere near to what they were' (Private sector, Recruitment service).

A related concern was expressed regarding the future of the social care workforce. Care providers, trade union officers and representatives of the regulatory bodies discussed the problem of the future staff shortage in the sector which is emerging due to the 'greying' of the social services workforce, especially in the public sector; and the growing demand for elderly care, as a consequence of population ageing. This 'greying' also equates to a 'brain drain' within the sector as it is the older, more experienced workers within social services who are taking the redundancy packages being offered as a result of the current economic restrictions and cuts. There was a concern amongst participants that the impact of this in terms of quality of services, and knowledge and experiential support for newer workers will be keenly felt in the years to come.

Another issue discussed by research participants was the integration of health and care services. Integration of adult health and social care services causes visible concerns among stakeholders. There is uncertainty about the rationale of this initiative as well as practical concerns relating to the technical co-existence of two quite different sectors. The common questions raised by the research participants were: the impact of the integration on the pay and work conditions in both health and care sectors; management and accountability of health and care partnerships; and finally which sector will take the leading role after integration. There was a fear expressed that the partnership will result in less financial resources assigned for the care sector with the latter moving to the backstage of the health agenda. As the employees' representative stated:

'In the relationships between services e.g. NHS and 32 Scottish local authorities -the winner will be the NHS due to economy of scale. Co-practice will not be possible but the NHS will take over social care' (Scottish Association of Social Workers officer).

Finally, stakeholders referred to personalisation and self-directed support⁸⁹ as one of the key drivers in the coming years in the social services sector in Scotland. The rationale of self-directed support is to give an opportunity for service users to choose and control the service they may need. In summary,

⁸⁹ Self-Directed Support (SDS) is a term that describes the ways in which individuals and families can have informed choice about the way support is provided to them. Their choice may include taking a Direct Payment (DP), having a direct payment managed by a third party, or directing the individual budget to arrange support from the local authority or from a commissioned provider (Scottish Government, 2010b).

Scottish local authorities have a duty to offer a direct payment to eligible people assessed as needing community care services, which can be used to purchase all defined community care services and support, except long term residential accommodation (Scottish Government, 2010b). However the introduction of self-directed support raises a number of concerns about the impact of this policy initiative on the future workforce structure and the social services delivery pattern. In particular, concerns are expressed about the privatisation of the social workforce and an increase in the number of agency workers (who are often paid less and less unionised). This could be seen as an emerging challenge for the regulation of quality of services and professional qualifications of social workers.

3. Social dialogue in the social services sector in Scotland

3.1 Key characteristics

To begin with it is essential to note that social dialogue⁹⁰ in Scotland reflects the model of industrial relations typical for Britain except for slightly higher trade union density and collective agreement coverage. The UK data shows that in 2011 the share of employees covered by collective agreements was 31.2% whereas in Scotland this indicator was slightly higher - 34.7%. Similar variance between Scottish and the UK data is observed in trade union density. The UK-wide trade union density stands at 26% which is lower than the Scottish indicator by almost 5% (BIS, 2012).

Outside the still highly organised public sector, the social dialogue in Britain is characterised as voluntary, to a certain extent decentralised and uncoordinated system which takes place primarily at the company level (Lawrence and Ishikawa, 2005). Various reasons account for the current status of social dialogue in the UK. It is a cumulative result of historical, political and normative factors. As Boyd (2002) argues, political values in Britain such as a liberal political culture, individual citizenship and an absence of heavy labour market regulation are not well connected with the principles of social dialogue. Moreover, historically government was relatively passive in investing political capital and putting emphasis on the national social dialogue. Meanwhile private business treated social dialogue with suspicion

⁹⁰ The term of social dialogue itself is not well established in the British and Scottish industrial relations but references to 'social corporatism' are more typical. 'Social corporatism', as some scholars argue, has a broader political meaning and relates to the system of group interest representation rather than exclusively industrial relations (Baccaro, 2003).

as a potential form of government interference to control the labour market (Boyd, 2002).

The public sector, despite the plans of the current government to implement a more decentralised approach to wage bargaining, still remains an exception from this picture described (Eurofound, 2011). Compared to the private sector, the social dialogue in the public sector takes a more institutionalised form revealing higher density in trade union membership and collective agreement coverage. As reported by the Department for Business Innovation and Skills, in 2011 the trade union density in the private sector reaches only 14.1% whereas in the public sector this estimate is 56.5%. A similar ratio is observed in relation to collective agreement coverage – 67.8% in public sector and 16.7% - private (BIS, 2012).

The data on the trade union density and collective agreement coverage in the social care services is also collected at the UK level, however it is presented jointly for health and social work without a separation between the two sectors. In fact the UK trade union density in health and social work sectors is 41.4%; and the collective agreement coverage is 43.8% (BIS, 2012). One needs to note that this data could not be taken as indicative for the social services sector as it is biased by the inclusion of the health sector which has a significant share of unionised public workers⁹¹.

There is no accurate number on the trade union density in the Scottish social services sector. The fragmental data is available from employees' representing bodies such as Unison. For instance, based on the Unison estimations there is a high unionisation level (around 80%) among social workers in local authorities and the NHS personnel involved in social service provision. In the voluntary and private sectors the Trade Union membership is much lower than that of the public sector (UNISON officer).

3.1.1 Social partners': employees' and employers' representation

There are three major trade unions which represent interests and negotiate terms and conditions of employment in social services in Scotland: UNISON Scotland, Unite Scotland and the GMB Scotland.

⁹¹ The British public sector is characterised by a high level of social dialogue and joint regulation, particularly in the public health – the NHS. Collective agreements in the public health sector are concluded on a multi-employer basis at the national level on issues of wages, working time and training. Certain provisions within the agreements and other topics are then negotiated on a single-employer basis at the level of individual NHS employers. It is estimated that the collective agreement coverage reaches 90% in the public health sector (Prosser, 2011).

Unison Scotland: is the largest public service union in Scotland which is the national branch of the UK-wide trade union. In relation to the social services sector it covers employees in local authorities and the NHS. It is reported that Unison supports more than 300,000 members in the social services sector across the UK and around 145,000 members in the whole public sector and related services across Scotland (Unison 2011 a, b). Based on the estimations given by research participants in the interviews the Unison membership in social care services across 32 local authorities is about 25,000. The Unison membership in the voluntary sector (community and housing) is roughly estimated around 7,000. UNISON positions itself as the largest union representing most of the social care staff in Scotland in the following sub-sectors: residential workers, social care workers, home care staff and professional, administrative and clerical support staff. Unison is involved at the national, local and company levels in collective bargaining as well as other forms of social dialogue (see section 3.1.2).

Unite Scotland is another trade union with a high share of members in the social services sector. It has cross-industry membership and positions itself as the biggest trade union in the private sector. The sub-sectors in social services, which are covered by this trade union, include: community, youth workers and employees working for non-profit organisations and local authorities. The union represents and bargains on behalf of 40,000 employees in the voluntary sector in Scotland (Unite, 2009).

GMB Scotland is a regional division of the UK-wide union which protects workers' interests in several economic sectors. GMB frames its status as campaigning trade union with aims to protect workers at their workplaces. In relation to social services the GMB covers public employees in local authorities, the NHS, social care, voluntary organisations and private sector contractors engaged in publicly funded work.

The national body which coordinates activities and policies across different trade unions is the **Scottish Trade Union Congress (STUC)**. It develops and articulates the views and policies of the trade union movement in Scotland and enhances the social partnership to promote principles of equality, social justice, and the creation and maintenance of high quality jobs. However, the STUC does not have collective bargaining rights.

The only professional association for social workers in Scotland is the **Scottish Association of Social Workers**. It is a devolved part of the British Association of Social Workers. The latter supports 13,640 members across UK and recently established an independent Social Worker Union (in 2011). However, the SASW is positioned as a professional association rather than a

trade union. The SAWS representative highlighted that there are very distinct differences between SAWS and trade unions which have social services workforce membership:

'Our membership is for those who work in the workforce who are registered with the regulatory body SSSC and we offer advice and representation for members who have issues relating to their professional practice. This is about 10% of the workforce. We are therefore much more heavily involved in issues around professional competence and practice governance. In this respect we are more like the medical colleges - like the College of GPs or the Law Society' (SAWS officer).

Apart from bodies representing employees' interests there are a number of associations which represent employers in the social services sector in Scotland. This report focuses on organisations in the target sectors identified in this research (see introduction). These are institutions representing service providers in the voluntary sector (Coalition of Care and Support Providers), employers' organisations representing private sector organisations providing care for older people and people with disabilities (Scottish Care), the public sector employers organisations (the Convention of Scottish Local Authorities (COSLA), and organisations representing the child service providers (Scottish Childminding Association).

Coalition of Care and Support Providers (former Community Care Providers Scotland) is an association of employers in the voluntary sector. Its membership comprises over 70 care providers which employ approximately 45,000 staff. The organisation is not involved in collective bargaining. However they estimate that around 1/3 of their members takes part in company level collective bargaining.

Scottish Care represents the largest group of health and social care sector independent providers across Scotland delivering residential care, day care, care at home and housing support. It accounts for more than 370 members. Scottish Care is not involved in the collective bargaining however it is represented on key government and regulatory policy groups.

Convention of Scottish Local Authorities (COSLA) acts as employers' organisation for all Scottish councils, and is involved in the national negotiation of salaries, wages and working conditions for local government employees. The Employers' Team develops the national strategic framework for pay, pensions and employment contract activity.

The Scottish Childminding Association (SCMA) includes 5000 members who are individual childminders as well as corporate members interested in promotion of quality childminding. The organisation provides childminding insurance services, and legal representation in the event of any serious dispute relating to childminding.

3.1.2 Types of social dialogue: levels and content

As stated above, the current status of social dialogue in Scotland to a large extent reflects the general picture of the British social dialogue given. The practice of social dialogue is not evenly developed across public and private sectors in terms of social service provision. In the private sector it is voluntary in nature and takes place primarily at the company level. However in the public sector social workers are covered by national collective agreements which are negotiated for public employees in local authorities and the NHS. It is noteworthy that in Scotland the level of involvement in social dialogue depends on public/private division among social services providers rather than on sub-sectoral categories such as identified in the research - care of older people, child care and support for people with disabilities. Therefore this section primarily focuses on the public/private division in social dialogue with some illustrations from the aforementioned sub-sectors.

Sector-level collective bargaining and consultations at the national level

There is no national collective bargaining platform for the social services sector as a separate entity. Collective bargaining in the social services sector primarily exists within a framework of the national sector-level collective bargaining which covers employees in public health institutions (NHS) and the workforce in the local government (including social services workforce).

The NHS staff base⁹² is covered by collective agreements which are agreed at the national level on a multi-employer basis on topics such as pay, working time and training. Specific provisions are negotiated at the level of individual NHS employers. There are three partnership structures at the national level created to support social partnership in health sector. The Scottish Partnership Forum (SPF) discusses strategic issues related to service delivery and facilitates joint problem solving. The Scottish Workforce and

⁹² The description of the social dialogue in the public health sector is relevant here as some of the NHS employees are involved in the provision of social services.

Staff Government Committee develops workforce policies. And, finally, the outstanding issues are negotiated at the Scottish Terms and Conditions Committee (Bacon and Samuel, 2012).

The pay and employment conditions for local government employees (including social services workers) are determined at the national level as well. The involved partners are COSLA and employees' representatives - trade unions. The issues discussed include primarily pay and working conditions. The National agreement on pay and conditions of service for local government services (the result of these negotiations) is also known as the Single Status Agreement⁹³ which leaves space for modifications at the level of local authorities to suit the regional needs.

Apart from collective bargaining taking place at the national level trade unions are invited to take part in consultations at the national level on employment-related issues. For instance the Scottish Parliament's committee system gives UNISON the opportunity to provide formal evidence on legislative proposals and committee inquiries. The Scottish Parliament's petitions committee allows individuals, community groups and organisations to participate in the policy scrutiny process by raising issues of concern with the parliament (UNISON, 2010). A recent example of such dialogue at the national level was consultations between the Scottish Government, COSLA representatives and trade unions in relation to pensions in the public sector (Unison officer, Social Work Team).

Local level

Negotiations at the local (regional) level take place between individual local authorities (as service providers) and trade unions representing workers in the public sector. The payment conditions for public employees are nationally set up and are not included in negotiations at the level of local authorities. At this level the key issues in negotiations are: service structuring and working patterns. Negotiations at the local level are led by the unions' local branch stewards and senior managers in the local authority. The regularity and the set up of these negotiations depend on each local authority. One of the problems that was reported by the trade union officer is that there is a lack of information from LAs on how this process is organised in each case.

⁹³ This agreement is often used as an orienteer in the voluntary sector.

Organisational (company) level

Voluntary organisations and for-profit service providers are mainly involved (if at all) in collective bargaining at the company level. At this level the key issues discussed are: vacancies, absences and working practices. In these negotiations unions are represented by the stewards who are elected by trade union members. In the private and voluntary sectors there is no nationally set up pay and conditions, therefore the latter often becomes a matter of negotiations at the company level. Apart from the practice of collective bargaining the research participants referred to consultation processes which take place at the company level and the practice of joint meetings between employers, employees and employment lawyers. The latter signifies steps towards formalisation of employer-employee relations in the voluntary and private sector organisations.

'[Now with] employment lawyers there is a script for serious conversations with employees in order to remain compliant, whereas ten years ago it would have just been a conversation based on instinct' (Private sector provider, Recruitment service).

There were two types of involvement in social dialogue identified based on experiences of voluntary organisations which took part in this research. *Type One* represents the best practices whereas *Type Two* indicate the challenges in developing social dialogue in voluntary and private sectors.

Type One: Well-established practice of company-level social dialogue

This type is distinguished based on the description of social dialogue practices at three large and medium size voluntary organisations in Scotland which provide a broad spectrum of services from support to homeless people, disadvantaged children, people with mental and learning disabilities and those with alcohol issues.

One of these organisations has been involved in company level collective bargaining for about 10 years. The collective agreement is negotiated at the company level and revised every 2-3 years. However, the company is not involved in any sectoral or national level negotiations. There is a joint negotiation committee at the enterprise which meets regularly (every 6 weeks) and discusses employment-related issues. This committee consists of six members: chief executive, human resources officer, operations manager, full-time trade union officer and two shop stewards. The typical issues discussed at this committee are: redundancy policy, health and safety, working conditions, new employment contracts and revision of occupational

sick leaves. Apart from the collective bargaining there is another instrument at the company level which represents employees' interests. This is a Staff Forum which also deals with employment related issues. But it is not based on the trade union membership and the members of this Forum are not involved in the negotiation of collective agreements. The purpose for this institution is to represent interests of all employees even if they are not trade union members.

The other large service provider in the voluntary sector also has a quite established practice of company-level collective bargaining. Around 50% of employees are trade union members. The Joint Committee is regularly organised between senior management and trade union representatives. Among issues that are typically discussed are: changes in services due to external pressures (such as budget cuts), tendering and personnel related transfers. The collective agreement consists of traditional blocks such as wages, health and safety, staff benefits, pensions but also includes additional issues such as service change management.

Finally, the third case in this category of voluntary providers which demonstrate the positive experience in social dialogue is a medium size organisation which focuses on support to vulnerable groups such as people with mental disabilities. There is a collective agreement which is negotiated between senior management and trade union representatives. There is a regular revision of issues set in collective agreements which takes place approximately every three years. Apart from negotiation of collective agreement there are regular consultations between trade unions and senior managers. The most recent one was about the inflation-related payment increase and working schedule over the Christmas period.

Type two: "Not big enough to be involved in the collective bargaining"

The second type was identified based on the experience of a small-size organisation which employs only two people and attracts about 30 volunteers annually. The practice of social dialogue is not well established and, as the interviewee (company manager) indicated, the main reason for this is: "We are not big enough to have collective bargaining".

This example raises a question about how to facilitate the practice of social dialogue at small size companies which are reliant on volunteers and unpaid staff. Unite Scotland is currently running a campaign of Community Membership that offers support specifically for volunteers. The impact of this would be useful to assess.

Apart from the collective bargaining which takes place at the company level analysis of employers' associations representing voluntary and private

service providers revealed that the former are involved in the national level consultation process on care-related issues. For instance, the Coalition of Care and Support Providers takes part in a number of the Scottish Government committees and advisory groups (National Social Work Services Forum, Integration of Health and Social Care Joint Commissioning Sub-Group and others). Organisations also collaborate with other stakeholders – the Care Inspectorate and care related networks – the Scottish Child Care and Protection Network (SCCPN), National Development Group for Older People's Care (CCSP, 2012).

3.3 Social partners' reflections

3.3.1 Understanding of social dialogue

The research participants, when asked about their understanding of social dialogue, acknowledged diversity of meanings of this term. Moreover they applied this term in a context which is broader than industrial relations, with descriptions such as the following:

'Social Dialogue means different things to different people...discourse around how society is structured and how people interact at different levels, within organisations and within the media';

'Exchange of ideas and good practice, dilemmas and how to solve them. Collective issues to campaign about and take forward... Twitter and Face book would be some people's view of social dialogue';

Discussing the social dialogue in the context of industrial relations the stakeholders raised a number of issues. One of them concerned the type of social partners involved in social dialogue. For instance it was a general agreement that service users are an important voice which should be heard in social dialogue.

Taking into account that the tendering process as well as sub-contracting are common features in the sector, stakeholders questioned whether social dialogue should not limit a number of social partners to employers and employees' representatives but also include: *'those designing the contracts as well as those procuring them'* (Voluntary Service Provider, services for homeless people).

Service providers discussed weaknesses and threats to social dialogue in the sector of social services. First, of all stakeholders agreed that there is lack of information sharing and exchange of best practices in the sector in relation to social dialogue practices. Moreover the sector suffers from bad marketing and stigma which points that social investments are not valued and social

returns on investments are not well articulated. Among threats they stressed two related issues of the budget cuts and increased competition among service providers which does not encourage a healthy climate for social dialogue.

3.3.2 Involvement at the EU level

The concluding section of this report discusses the engagement of stakeholders in the social dialogue at the EU level. There are a few observations in relation to the social partners' engagement in the social dialogue at the EU level. Firstly, it is noteworthy that the institutionalised forms of participation correlate with the public/private division in the sector. The representation of public employers' organisations is more structured compared to service providers in the voluntary and private sectors. For instance, COSLA – the employers' association representing the local authorities in Scotland is a member of the Council of European Municipalities and Regions (CEMR). It has an established unit in Brussels (COSLA Brussels Office). The aim of this unit is to advise Scottish MEPs on legislation affecting local government and support the work of the Scottish councillors who are members of the EU Committee of the Regions. The European office of the NHS Confederation is another example of the institutionalised involvement of public sector employers in social dialogue at the EU level. The Office covers a wide range of EU policy and legislative developments which have implications for the NHS.

The engagement of voluntary and private service providers is less institutionalised. In some cases this engagement has appeared to be at a fairly removed level, i.e. membership is kept on but meetings aren't attended. These observations were revealed during the individual interviews and at the national meeting with care providers.

To begin with service providers in the voluntary and private sectors revealed their involvement in a number of EU based organisations. Among these organisations are: European Offender Employment Forum, European Federation of National Organisations Working with the Homeless, International Federation of Social Workers and the European Association of Service Providers for persons with disabilities (EASPD). However the research participants indicated a relatively passive level of involvement in the social dialogue at the EU level. Their engagement could be characterised as accepting and taking into account regulations and recommendations on generic issues (such as procurement and European Employment Law) rather than proactive involvement in social dialogue at the EU level.

Some stakeholders noted that partially the reason for the lack of their EU participation is linked to the UK set up. Many providers, employees' and employers' organisations have headquarters in London therefore the Scottish departments have no direct link to the EU level. For instance, Unison Scotland is not directly involved in social dialogue at the EU level. This is due to Unison's organisation structure where Unison Scotland is a regional office. Although it has distinctive status to reflect devolution and the particular Scottish context, European matters still remain the prerogative of Unison's head office in London. The latter represents the organisation at the EU level. The potential involvement of Unison-Scotland in the EU social dialogue will depend on the results of debates around Scottish independence and future organisational arrangements of UNISON. As defined by the Unison-Scotland officer the current state of policy affairs in this trade union is that it is more focussed on national priorities as opposed to looking at the European perspective. However, there is a clear intention to have a stronger voice in Europe and to learn from other EU countries experiences (in particular there is an interest in gaining understanding of the experiences of the Scandinavian countries in social dialogue).

Also stakeholders expressed other challenges which hamper successful co-operation between social partners at the national and European levels. Among these challenges are:

- confusing interpretation of the EU regulations circulating at the national level. In particular the service providers referred to procurement rules and the European Law on competition and social benefits;
- stakeholders perceive some EU regulations as a burden for social services delivery at the local level; for instance as the representative of the private sector service providers expressed:

'All the restrictive practices that take away the flexibility of the workforce come from EU regulation - working time directive, agency worker directive etc. These have direct negative impacts on the workforce, and our economy, and make us less able to provide effective solutions that help employers and employees. The EU should be lifting the bureaucratic burdens we are under, not increasing them!' (Private service provider, Recruitment service);

- concerns about applicability of the EU regulations across diverse EU members and within single countries;
- excessive proliferation of EU-level networks. One of the participants stated:

'There are enough representative bodies at the EU level and there is no need for a new one. There is a need for better co-ordination between already existing structures and social partners' (Private sector provider, recruiting service);

- finally, a number of research participants revealed that their future engagement in the European social dialogue will depend on the results of the Scottish independence debate.

Although stakeholders (primarily service providers in private and voluntary sectors) indicated that at the moment they are not actively involved in social dialogue at the EU level they expressed positive expectations regarding their future practice. They perceived engagement at the EU level as an opportunity for peer reviews and replication of good practices between European social partners. Involvement in the EU institutions was also seen as an effective tool to address issues emerging in the social services sector at the national and international levels. Among such issues stakeholders listed the following:

- Agency worker regulation;
- Procurement rules;
- Consequences of the Working Time Directive;
- Provision of financial support and information advice to small and medium size social service providers in order to enhance their competitiveness in the sector as well as their ability to provide personnel training;
- Cross-border mobility of care workers and recognition of professional qualifications.

4. Conclusion and recommendations

Industrial relations in the social services sector in Scotland are characterised with a voluntary and, to a certain extent, decentralised model of social dialogue. However, this description would not be complete without a distinction between public and private sectors.

Social dialogue is well established in the public sector with collective bargaining and consultations taking place at the national, local and organisational levels. The picture is quite different in the voluntary and private sectors. These are characterised with lower levels of trade union density and collective agreement coverage. Based on stakeholders' estimations the private sector is poorly represented in terms of social dialogue especially in relation to small size service providers such as private care homes. Compared to private sector employers, the voluntary sector has

relatively better engagement in social dialogue. A few examples of social dialogue were revealed mainly at large and medium size voluntary service providers.

On the whole the social dialogue as such is not on the top agenda of social services providers. They are rather involved in discussion of the current developments which take place in the sector such as: financial constraints, tendering rules, personalisation of social services and integration of health and care services. Although research participants did not directly relate these issues to the social dialogue, the potential effect of these changes needs to be considered in terms of future employer-employee relations in the social services sector.

Finally, in terms of facilitating the social dialogue in social services one needs to pay a particular attention to private sector providers and their motivation in taking part in the social dialogue at the national and the EU levels. Perhaps the first step to begin with would be the systematic collection of comprehensive data about the type of private service providers, their trade union membership and existing practices of social dialogue. This could facilitate the development of an adequate tool for the involvement of private sector providers in social dialogue at both national and EU levels. This national research points towards the following recommendations if social dialogue is to be strengthened within Scotland and at European level:

1. There needs to be a systematic promotion and awareness raising campaign at national level of what social dialogue is and who the partners may be;
2. A focusing of awareness raising resources and dissemination of information across the private sector as it is currently least engaged in social dialogue;
3. Systematic data collection of who the private sector providers are, who they employ, and what terms and conditions are in place;
4. Data collection on trade union density and collective agreement coverage specifically within the private and voluntary sectors;
5. A sector specific positive promotion of the benefits of EU engagement and the benefits of social dialogue at European level;
6. Widening of social dialogue to include not just economic factors such as pay and conditions but also the issues relating to impact of these on the quality of services. It would be useful to have a dialogue that looked also at innovative practice and at good practice in terms of professional development and training across Europe;

7. Social dialogue could be incorporated as a contractual requirement within tendering agreements to raise standards in employment conditions and stimulates the responsibility of contracting parties;
8. Widening of social partners to include service users as an important voice in strengthening the quality of services and subsequent employer/employee relationships;
9. Enhance the representation of unpaid workers (volunteers) within the sector.

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Annexes

Annex 1 List of participants in the National Meeting, 13th of March, 2012

| Organisation | Type |
|--|--|
| Harmony | Employment agency supplies staff to work in the social care sector; |
| Apex Trust | Voluntary organisation provides services to ex-offenders; |
| Quarriers | Voluntary organisation provides services to homeless people, persons with disabilities and young people (looked after children); |
| Scottish Association of Social Workers | Professional organisation representing social workers in Scotland; |

Annex 2 Interviews with stakeholder organisations

1. Scottish Trade Union Congress
2. Turning Point Scotland
3. Link Group Ltd (housing support service provider, with a strand focusing on care for the elderly)
4. Scottish Social Services Council
5. Barnado's
6. Learning Disability Alliance Scotland
7. Unison (3 interviews)
8. Community Care Providers Scotland
9. NHS GG&C Mental Health Services
10. Harmony, private recruitment agency

Annex 3 Categories in social services (adopted from SSSC, 2010)

| | |
|--------------------------|---|
| Adoption Services | A service that makes arrangements in connection with the adoption of children. This does not include services in which the proposed adopter is a relative of the child. |
| Adult Day Care | Day care services can be provided from registered premises in a variety of settings. |
| Adult Placement Services | Adult placement services provide or arrange accommodation for vulnerable adults (aged 18 or over) in the homes of families or individuals, together with personal care; personal support; or counselling or other help, provided other than as part of a planned programme of care. |
| Care Homes for Adults | Care Homes relating to, for example, Alcohol & Drug Misuse, Learning Disabilities, Mental Health Problems, Older People, Physical |

| | |
|--------------------------------|--|
| | and Sensory Impairment, Respite Care and Short Breaks |
| Central and Strategic (LAs) | Staff with a strategic and/or central role, including senior management, administrators and support staff |
| Child Care Agencies | Childcare agencies supply or introduce to parents a childcare who looks after a child or young person up to the age of 16, wholly or mainly in the home of that child's parent or parents. They could include for example: nanny agencies; and home-based childcare services or sitter services. |
| Child minding | A child minder is a person that looks after at least one child (up to the age of 16 years) for more than a total of two hours per day. The child minder looks after the child on domestic premises for reward but not in the home of the child's parent(s). A parent/relative/foster carer of the child cannot be regarded as his/her child minder |
| Day Care of Children | A service which provides care for children on non-domestic premises for a total of more than two hours per day and on at least six days per year. It includes nursery classes, crèches, after school clubs and play groups. The definition does not include services which are part of school activities. Nor does it include activities where care is not provided such as sports clubs or uniformed activities such as Scouts or Guides. |
| Fieldwork Services (LAs staff) | Fieldwork staff in divisional and area offices |
| Fostering Services | Fostering agencies may provide substitute care where a child's family is unable to provide care. They may provide complementary care to provide additional opportunities for a child or to give parents a break. These carers are sometimes called respite or family placement carers. The term foster care is used to describe all these situations. |
| Housing Support | A service which provides support, assistance, advice or counseling to enable an individual to maintain their |

| | |
|---------------------------------|---|
| | tenancy. Housing support may be provided to people living in - ordinary homes, sheltered housing, hostels for the homeless, accommodation for the learning disabled, women's refuges, and shared dwellings. |
| Nurse Agencies | Nurse agencies introduce and supply registered nurses to independent and voluntary sector healthcare providers and to the NHS in Scotland. |
| Care at Home | A service which delivers assessed and planned personal care and support which enables the person to stay in their own home |
| Offender Accommodation Services | A service which provides advice, guidance or assistance to people such as ex-offenders, people on probation or those released from prison, that have been provided accommodation by a local authority |
| Residential Child Care | These services are Care Homes, Special School Accommodation Services and Secure Accommodation Services for children who are looked after away from home. |
| School-Care Accommodation | This includes Boarding Schools and School Hostels (but does not include services for children looked after away from home). |

National Report SLOVENIA



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Introduction

The report is divided into four parts. In the first thematic chapters (chapter two and three) we present the main characteristics of the social welfare system in Slovenia. These characteristics are important for understanding of the role of social services sector and its placement within the social dialogue. Here we focus on historic and socio-economic features of the development of the social welfare system and its impact on the characteristics of social services sector (especially along the public/private/non-profit lines). We do not present the whole system into great detail but instead limit our findings to the key groups of social services such as:

- NGO's social protection programmes co-financed by the state,
- long-term care for older people,
- social services for children and youth with special needs,
- social services for disabled people.

The size of the service sector, its logic of functioning, number of users, employers, workers and volunteers are presented in these two chapters. The fourth chapter of the report deals with the social dialogue and viewpoints of social services providers, state actors and other important stakeholders such as unions. In order to present all the relevant information, the desk search on social dialogue and the position of social services providers within the dialogue has been done as a basis for the interviews with the stakeholders. As the social dialogue has been at its peak (the government presented the measures to tackle the ongoing economic crisis) it has been impossible to organise an event where all the relevant stakeholders would take part. Therefore we opted for individual interviews which were held in April and May 2012. Following stakeholders have participated in the interviews: the *Association of Social Institutions of Slovenia, Slovenian Community of*

*associations for Special Education Needs, Centre for Information Service, Co-operation and Development of NGOs (CNVOS), government representatives, The Confederation of Trade Unions of Slovenia PERGAM, Centre for Vocational Rehabilitation, and National Council of Disabled People's Organisations of Slovenia.*⁹⁴ The conclusions from the interviews are presented in the light of previous findings from the desk search in the concluding chapter.

1. The main characteristics of the welfare system and the profile of the social services sector

Slovenia has seen one of the most successful transitions from a socialist to a market economy. The first cluster of reasons for this can be found in relatively high level of development even before the independence in 1991. The second cluster constitute the rejection of so called 'shock therapy' or 'big bang' approach in (de)regulation of social and economic subsystems that was made possible by a stable centre-left government(s) that have been in power until EU accession. Slovenia opted for slower and gradual transformation that resulted in retainment of generous social policies, avoidance of quick liberalisation of the financial markets and capital flows, in its own concept of privatisation with a limited role for foreign capital, in relatively rigid but (at least up to the economic crisis) secure labour market and in relatively all encompassing and publicly dominated social services (Boljka 2009, 11). The same can be said for the welfare system as an integral part of the broader socio-economic system. Here the Slovene socialist history played an essential part resulting in the prevalence of a social welfare system where the state was the owner, financier and the

⁹⁴ Several others stakeholders have been contacted but due to the intense social dialogue (on the topic of measures to deal with the economic crisis) decided not to participate in the interviews.

dominant actor in the social services provision. However; the services ensured by the state haven't been sufficient to satisfy all the needs of individuals 'forcing' the informal social networks (mainly family) to provide additional social protection. The civil society (private, non-profit voluntary organisations) before the transition to the market economy was weak and the same can be claimed for the market as a social services provider (Kolarič, Kopač Mrak, Rakar 2011, 288).

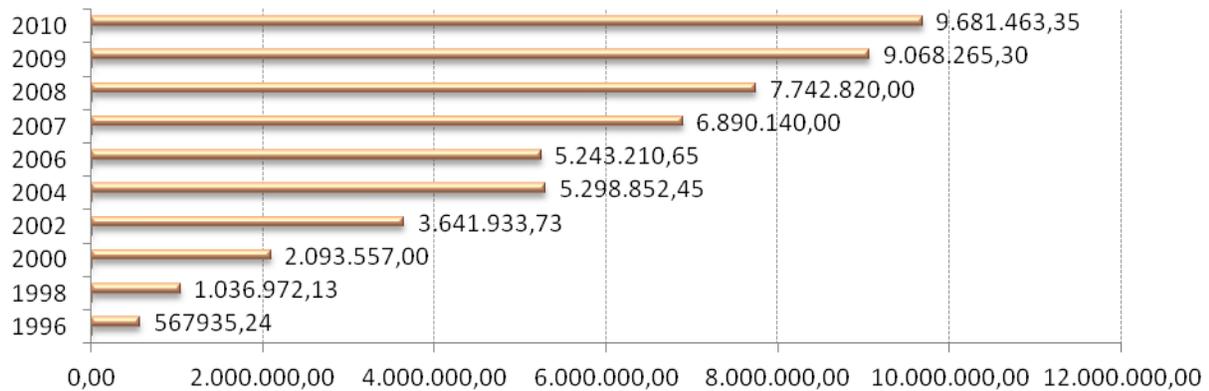
2. Provision of social services

NGO's social protection programmes co-financed by the state

The NGOs in the area of social services are relatively well represented in terms of share of all employees in the NGO sector. Even though these NGOs represent just 3,6 % of the so called third sector, they present 26,7 % of all employed in the whole sector. These numbers lead us to believe that the NGOs that are active in the social services provision are relatively professionalised and that they have assured the continued financial support from the state (Črnak-Meglič and Rakar 2009, 241-242). "The state was extensively financially supporting them (especially through a lottery fund, today's FIHO) throughout. In these organisations, besides a well-developed voluntary structure, a relatively strong professional structure also developed which is growing stronger today" (Črnak-Meglič and Rakar 2009, 241-242). Before the transition, social services were almost exclusively performed by public institutions. Now, the state recognises the importance of other actors in the provision of social services and their ability to identify the needs of users (Črnak-Meglič 2006, 34-35). In accordance with that MOLFSA has since the beginning of the 1990s encouraged and supported the development of non-governmental sector and the pluralisation of social protection

programmes. There is also an evident trend in increasing the co-financing of the social protection programmes (see Table 1).

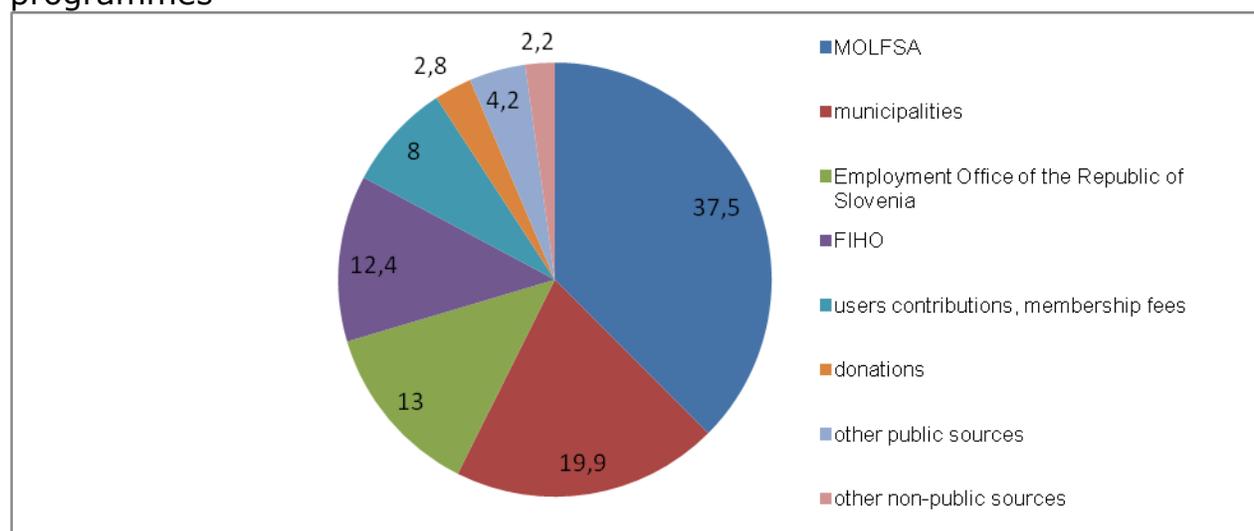
Table 1: Funds (€) of MOLFSA aimed for co-financing of social protection programmes



Source: SPIRS 2011

The social protection programmes which have been co-financed by MOLFSA managed to get their funding from different sources. 25.727.797,94 € have been allocated to these programmes in 2010 which is an 14 % increase from the 2009. The main sources of financing has been MOLFSA amounting on average to 37,5 % in 2010. Other important financers are presented in the Table 2 (Smolej et al 2011).

Table 2: Percentage of sources from different financiers of social protection programmes



Source: SPIRS 2011

The MOLFSA allocated to social protection programmes 9.681.463,35 € in 2010. The most funds went to group homes for people with long term mental health problems, programmes of day centres and to centres for counselling for people with long-term mental health problems (PSPP 2) (Smolej et al 2011).

Table 3: Financing of social protection programmes from MOLFSA open call (2010)

| Fields of co-financing of social protection programmes in 2010 | MOLFSA funds (€) |
|--|------------------|
| Public social protection programmes – PSPP | |
| Programmes of maternity homes and shelters for women (PSPP 1) | 1.458.265,66 |
| Programmes for people with long term mental health problems (PSPP 2) | 2.195.665,27 |
| Programmes for the disabled (PSPP 3) | 668.018,90 |
| Programmes for drug users (PSPP 4) | 1.575.993,26 |
| Therapeutic programs for social distress due to alcoholism and other forms of addiction (PSPP 5) | 252.381,66 |
| Admission programs and shelters for the homeless (PSPP 6) | 547.484,50 |
| Intergenerational programs of regional centres with | 34.552,72 |

| | |
|---|---------------------|
| a network of social programs for the quality of life in old age (PSPP 7) | |
| Specialized therapeutic programs of psychosocial support to children, adults and families, designed to resolve inter-personal problems (PSPP 8) | 366.343,50 |
| Admission programs and shelters for homeless drug addicts (PSPP 9) | 123.124,94 |
| Developmental and experimental programmes – DEP | |
| Programs for telephone counselling for children, adolescents and others in the personal distress (DEP 1) | 152.890,72 |
| Low-threshold programs for drug users (DEP 2) | 587.876,52 |
| Therapeutic programs and other programs for social distress due to alcoholism and other forms of addiction (DEP 3) | 92.092,78 |
| Programs to reduce social exclusion of old (DEP 4) | 508.387,13 |
| Programs of psychosocial assistance to victims of violence (DEP 5) | 271.733,70 |
| Programs aimed at children and adolescents (DEP 6) | 557.675,88 |
| Other programs focusing on minimizing the social problems that are not part of the open call of MOLFSA (DEP 7) | 254.760,47 |
| <i>Slovenian Caritas</i> : Care for victims of human trafficking - crisis accommodation | 34.215,74 |
| Together | 9.681.463,35 |

Source: SPIRS 2011

Human resources of the social protection programmes

1.445 people were employed in 2010 in the co-financed social protection programmes. 65 % of the employed were employed for the indefinite period of time. Employed service providers have been largely financed by MOLFSA (35 %). Nearly a fifth of employment are financed by the municipalities, ESS has contributed funds for almost 18 %. (Smolej et al 2011). There are significantly more people employed in the social protection programmes than in developmental and experimental programmes where the volunteering is more common – 75 % of workers in these programmes are volunteers. There

were 10.860 volunteers in these programmes. They represent 81,9 % of all service providers in social protection programmes (Smolej et al 2011).

Table 4: Human resources according to open call fields of MOLFSA

| field | Number of employed | | Number of other paid service providers | | Number of volunteers | |
|---|--------------------|-------|--|------|----------------------|--------|
| | 2009 | 2010 | 2009 | 2010 | 2009 | 2010 |
| <i>Public social protection programmes – PSPP</i> | | | | | | |
| <i>PSPP 1</i> | 98 | 111 | 45 | 41 | 194 | 159 |
| <i>PSPP 2</i> | 251 | 300 | 88 | 82 | 558 | 642 |
| <i>PSPP 3</i> | 310 | 354 | 169 | 325 | 1.034 | 1.152 |
| <i>PSPP 4</i> | 106 | 111 | 38 | 41 | 273 | 249 |
| <i>PSPP 5</i> | 28 | 24 | 34 | 26 | 230 | 108 |
| <i>PSPP 6</i> | 74 | 86 | 17 | 24 | 135 | 215 |
| <i>PSPP 7</i> | 6 | 7 | 4 | 4 | 112 | 123 |
| <i>PSPP 8</i> | 43 | 35 | 34 | 20 | 93 | 77 |
| <i>PSPP 9</i> | 12 | 18 | 3 | 11 | 17 | 38 |
| <i>Developmental and experimental programmes – DEP</i> | | | | | | |
| <i>DEP 1</i> | 22 | 29 | 22 | 25 | 688 | 551 |
| <i>DEP 2</i> | 59 | 59 | 101 | 55 | 240 | 189 |
| <i>DEP 3</i> | 15 | 21 | 68 | 53 | 113 | 133 |
| <i>DEP 4</i> | 34 | 48 | 41 | 101 | 3.982 | 4.582 |
| <i>DEP 5</i> | 46 | 43 | 20 | 19 | 83 | 93 |
| <i>DEP 6</i> | 108 | 112 | 80 | 67 | 670 | 723 |
| <i>DEP 7</i> | 77 | 87 | 72 | 64 | 412 | 1.826 |
| Toget her | 1.289 | 1.445 | 836 | 958 | 8.834 | 10.861 |

Source: SPIRS 2011

Table 5: Employments co-financed by MOLFSA

| Number in percentage (%) of employed persons, co-financed by MOLFSA | | |
|---|--------|-------|
| | Number | % |
| Full time employments fully funded by MOLFSA (2088 hours) | 160 | 23,32 |
| Part time employments fully financed by MOLFSA; full time employments partly financed by MOLFSA (50%); co-financed employments (2/3) (from 1044 to 2000 hours) | 162 | 23,62 |
| Employments co-financed by MOLFSA at lower rates or the total hours worked by employees throughout the year which are paid from MLFSA, don't amount to 1044 hours | 364 | 53,06 |
| Together | 686 | 100 |

Source: SPIRS 2011

Users of the social protection programmes

In 2010, there were 161.916 users and over 72.500 calls within the social protection programmes that were financed by MDDSZ. The most “popular” programmes were intergenerational and other self help groups and other residential programmes aimed at the reduction of social exclusion. (Smolej et al 2011).

Table 6: Number of social protection services users (2009 - 2010)

| Field | Number of users | |
|---|-----------------|--------|
| | 2009 | 2010 |
| <i>Public social protection programmes – PSPP</i> | | |
| <i>PSPP 1</i> | 1.138 | 815 |
| <i>PSPP 2</i> | 4.237 | 5.117 |
| <i>PSPP 3</i> | 9.772 | 10.920 |
| <i>PSPP 4</i> | 6.854 | 4.591 |
| <i>PSPP 5</i> | 1.890 | 2.323 |
| <i>PSPP 6</i> | 1.637 | 1.974 |
| <i>PSPP 7</i> | 555 | 1.260 |
| <i>PSPP 8</i> | 4.349 | 3.650 |
| <i>PSPP 9</i> | 72 | 104 |
| <i>Developmental and experimental programmes – DEP</i> | | |
| <i>DEP 1</i> | 84.015 | 72.517 |
| <i>DEP 2</i> | 5.097 | 3.870 |

| | | |
|--------------|---------|---------|
| <i>DEP 3</i> | 3.935 | 5.547 |
| <i>DEP 4</i> | 86.959 | 81.169 |
| <i>DEP 5</i> | 6.968 | 4.970 |
| <i>DEP 6</i> | 11.768 | 11.748 |
| <i>DEP 7</i> | 43.046 | 23.858 |
| Together | 188.277 | 161.916 |

Source: SPIRS 2011

Long-term care for older people

Long-term care can be divided into 1. **residential** and 2. **community care**. They are still dominated by the public sector in Slovenia. Nevertheless NGOs do cover the so called grey spots in the state provision of services in this field. In Slovenia the following major forms of social services for older persons may be identified along the division lines of residential Vs community care.

Residential care

Services in residential care can be divided into:

- **Institutional homes** – public social-care homes for the elderly, which provide all the basic services such as accommodation, meals, health care and nursing. This type of housing for the elderly is predominant.
- **Individual homes** – fully furnished small-sized flats, planned for the accommodation of older people, within the framework of housing blocks. It is meant for those old people who wish to continue living independently.
- **Sheltered housing** – new housing systems for the elderly have emerged in recent years funded by public sector (municipal housing funds, Retirement and Disability Insurance Real Estate Fund by private investors or as public-private partnership ventures.
- **Day-care homes** – open social centres intended for the daytime accommodation of older persons still living in their own homes but who

cannot be left alone during the day or do not wish to spend the entire day by themselves (Flaker et al. 2011, 194-196).

Residential care is still predominantly characterised by institutional care. It is dominant in terms of being a well established system, comprising more than one third of people estimated to be needing long term care, but also in terms of cost being paid by the users, insurance system and the budget. Institutional care is mainly a public responsibility, in terms of the establishing and maintaining facilities as well as in developing the network of social care homes. The system of financing the institutional care is a combination of public and private responsibility: people have to cover the expenses of accommodation, food and social care services, but the state (municipality) supplements the payment up to the entire price if their income is insufficient. **In 2010 approximately 17.000 people older than 65 years lived in homes for the elderly.** This number meets the goal stated in the national programme of social care i.e. 5 % of all people older than 65 is included in this type of care. Special social care homes and centres for care and training include adult population (not only elderly) with disabilities (learning, physical or other disabilities, mental health difficulties) (Flaker et al. 2011, 194-195).

Table 7: Number of employed persons providing health and social services in institutional care

| | 2007 | | | 2008 | | | 2009 | | | 2010 | | |
|---------------------|----------|-------|-----|----------|----------|-----|----------|-------|-----|----------|-------|-----|
| | TOGETHER | Women | Men | TOGETHER | TOGETHER | Men | TOGETHER | Women | Men | TOGETHER | Women | Men |
| Employed - TOGETHER | 2979 | 2579 | 400 | 3353 | 2926 | 427 | 3573 | 3104 | 469 | 3701 | 3189 | 512 |

Source: SORS 2012

Community care

Services provided within the community care can be divided into:

- **Home nursing** – provided by community nurses, who perform preventive and health education services, health-related services at home and to a certain extent also home help services. They are one of the first professional workers to identify health and social hardship as well as the needs of individual insured persons and their families for home and long-term care. In the second half of the 1990s the promotion of non-institutional forms started, awarding concessions to private practitioners and promoting the activities of non-governmental organisations in this area (Flaker et al. 2011, 198).
- **Home help** – in the public sphere there are different institutions providing home help such as centres for social work and homes for the elderly and in the private sphere institutions with concessions and licensed institutions or individuals. There were 75 organisations providing home care in 2010, the providers are mainly public institutions (as homes for the elderly, centres for social work, institutions for the home care). In 2010 there were 6.575 people using home help (Nagode et al. 2011).
- **Personal assistant** – persons with disabilities that require long-term care may opt for institutional care or may select one of the forms of help at home. Therefore; in some parts of the country **personal assistants** are available. This programme is run by persons with disabilities themselves, and is financed by the state, local community and user funds (Flaker et al 2011, 198). By 2007 there were 24 organisations with 353 personal assistants (almost half of them working voluntarily) providing personal assistance for 705 people (Nagode and Smolej 2007).

- **Family assistant** – people who would otherwise be institutionalised have the right to choose a family assistant. The family assistant provides support for every-day living activities and enables the person to stay at home; the services of a family assistant are financed by a combination of public and private sources.

Community care is a relatively new phenomenon in Slovenia. The provision of long-term care in Slovenia was initially based on institutional care. Home care was only introduced in late 1980s and started to develop more intensively at the end of the 1990s. Before that, help at home was provided through the community nursing service within the primary health sector, but was only available to a limited extent. In the second half of the 1990s, non-institutional forms of long-term care were increasingly facilitated. Concessions were awarded to private practitioners and the activities of non-governmental organisations in the area were promoted (Flaker et al., 2011: 196-198). Community care is a mixed (public and private) responsibility with national and local responsibility. There is a more pronounced impact of NGOs in the field of disabilities and mental health, though in comparison to the amount of institutional care, community institutional care provided by NGOs is insufficient and marginal (ratio approximately 30:1). The funding is almost exclusively public. In the public sector, community care is provided by the centres for social work, home help organisations, homes for the elderly, day centres, (and family assistants); in the for-profit sector there are private institutions (organisers of private health care, meals delivery services) and in the non-profit sector there are organisations related to churches and other secular, specialised NGOs (mental health, disabilities) (Flaker et al., 2011: 196-198).

Child care services for children and youth with special needs⁹⁵

Slovenia has a strong network of institutions for children and youth. From the systemic point of view Slovenia's social services in the field of disadvantaged children and youth can be divided into care for: 1. children and youth with moderate, severe and profound mental disabilities, 2. children and youth with functional disabilities and with mild or moderate mental disabilities, and 3. emotionally and behaviourally disturbed children and youth. Services vary according to the types of children and youth included. According to that the institutions and services differ in goals they want to achieve, levels of care provided to the children and youth, length of stay of children, staff requirements, educational and qualifications options for youth and children, provision of full-time care or provision of daily care. Looking at the overall picture there were **1,400 children with special needs in centres, institutions and youth homes, of whom 1,260 in residential full-time care and 140 in daily care** (Ložar 2011).

Out of them, 369 children and youth with **moderate, severe and profound mental disabilities** resided in centres for training, work and protection, while 143 only attended daily care activities in these institutions. Half of employees in centres were health and social care staff, while educational work represented only 21 % and was conducted by 134 special pedagogues-defectologists, who (Ložar 2011).

⁹⁵ We did not include child care as it is not considered to be part of social services but part of educational policies.

Table 8: Children and youth with moderate, severe and profound mental disabilities in residential and daily care, Slovenia, 2010

| | Centres for training, work and protection | Residential full-time care | Day care |
|--------------------------------------|---|----------------------------|----------|
| Number of children and youth - total | 512 | 369 | 143 |

Source: SORS 2012

There were 258 children with **functional disabilities** and 233 **children with mild or moderate mental disabilities** in institutional care in 2010. These are children who are not in the position to be educated in the place of permanent residence and are incorporated in institutional care – blind and weak-sighted children, deaf and partially deaf, children with motive impediments and slightly or moderately mentally handicapped children. They reside in homes intended for such children or in special units in the scope of boarding homes. In 2010, 233 children with mild intellectual disabilities were included in institutional care (Ložar 2011). Looking at the human resources in these institutions the numbers reveal that the majority of professional staff was educators and special pedagogues-defectologists (39%) and other health professionals (25%) (Ložar 2011).

Table 9: Institutional placement of children and youth with functional disabilities and/or with mild or moderate mental disabilities, Slovenia, 2010

| | Number of institutions | Number of children | Boys | Girls |
|---|------------------------|--------------------|------------|------------|
| Type of institutions - total | 13 | 491 | 287 | 204 |
| for blind and weak-sighted children and youth | 1 | 22 | 17 | 5 |
| for deaf and partially deaf children and youth | 1 | 48 | 33 | 15 |
| for children and youth with motive impediments | 2 | 188 | 102 | 86 |
| for children and youth with mild and moderate mental disabilities | 9 | 233 | 135 | 98 |

Source: SORS 2012

Table 10: Institutions and homes for lodging and care of children and youth with functional disabilities and/or with mild or moderate mental disabilities, Slovenia, 2010

| | | for blind and weak-sighted children and youth | for deaf and partially deaf children and youth | for children and youth with physical disabilities | for slightly or moderately mentally disabled children |
|-----------------------------------|------------|---|--|---|---|
| Employees - total | 322 | 6 | 14 | 176 | 126 |
| women | 278 | 2 | 10 | 165 | 101 |
| educators, assistant educators | 100 | 5 | 13 | 27 | 55 |
| medical staff | 81 | 1 | - | 72 | 8 |
| special pedagogues, defectologist | 25 | - | - | 16 | 9 |

| | | | | | |
|------------------------------|----|---|---|----|----|
| advisers | 5 | - | - | 3 | 2 |
| other professional personnel | 13 | - | - | 10 | 3 |
| management staff | 10 | - | 1 | 5 | 4 |
| other personnel | 88 | - | - | 43 | 45 |

Source: SORS 2012

Furthermore there were 398 persons in **institutions for emotionally and behaviourally disturbed children and youth** in 2010. They live in so called reformatory, re-education and youth homes with the aim of better adaptation to problems of growing up and/or to have better conditions for living than at home. (Ložar 2011).

Table 11: Institutions and homes for emotionally and behaviorally disordered children and youth by organisation of educational work, Slovenia, 2010

| | Total | Reformatory homes | Reeducation home | Youth homes |
|----------------------------------|-------|-------------------|------------------|-------------|
| Number of institutions/homes | 11 | 7 | 1 | 3 |
| Number of children and youth | 398 | 235 | 32 | 131 |
| Organisation of educational work | | | | |
| number of housing groups | 19 | 10 | - | 9 |
| number of educational groups | 38 | 26 | 6 | 6 |

- no occurrence of event

Source: SORS 2012

Social services for disabled people

Institutional care for special categories of population

In 2008 there were 12 public institutions, including 6 special welfare institutions and 6 units for special care for adults inside the residential homes for elderly or as a separate unit in of the residential home. Table 14 shows that the number of applicants is on the rise (1.097 in 2004 to 1.377 in 2008). The number of all users is however in the decline, the number of employed on the increase (for the detailed info see Table 14 and 15).

Table 12: Users and employed in special welfare institutions and rejected applicants, 2004-2009

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--|-------|-------|-------|-------|-------|-------|
| The number of special welfare institutions | 15 | 14 | 14 | 14 | 12 | 12 |
| The number of applicants | 1.097 | 1.424 | 1.303 | 1.417 | 1.377 | 1.160 |
| Accepted applicants | 354 | (470) | (430) | 488 | 400 | 339 |
| Rejected applicants | 355 | 698 | 651 | 626 | 748 | 619 |
| Users (all) | 2.746 | 2.674 | 2.590 | 2.531 | 2.478 | 2.500 |
| Men | 1.292 | 1.265 | 1.263 | 1.275 | 1.257 | 1.267 |
| Women | 1.454 | 1.409 | 1.327 | 1.256 | 1.221 | 1.233 |

Source: SORS 2012; () approximation

Table 13: Number of health care, social and welfare personnel in special social welfare institutions, Slovenia, annually

| Employed persons | 2008 | | | 2009 | | | 2010 | | |
|-------------------------------------|-------|-----|-------|-------|-----|-------|-------|-----|-------|
| | TOTAL | Men | Women | TOTAL | Men | Women | TOTAL | Men | Women |
| health care personnel ⁹⁶ | 832 | 82 | 750 | 741 | 84 | 657 | 722 | 87 | 635 |
| - TOTAL | | | | | | | | | |

⁹⁶ Health care personnel is comprised of hospital nurses, physiotherapists, work therapists, guardians, nurses, attendants, others.

| | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| social welfare personnel ⁹⁷ - TOTAL | 642 | 129 | 513 | 713 | 141 | 572 | 727 | 138 | 589 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|

Source: SORS 2012

Centres for protection and training

According to SORS there have been 3077 users in centres for protection and training in 2010. The number is steadily increasing during the years as evident from the bellow data.

Table 14: Number of proteges in centres for protection and training by sex and age groups, Slovenia, annually

| | 2008 | | | 2009 | | | 2010 | | |
|-------|-------|-------|------|-------|-------|------|-------|-------|------|
| | TOTAL | Women | Men | TOTAL | Women | Men | TOTAL | Women | Men |
| TOTAL | 3016 | 1342 | 1674 | 3038 | 1351 | 1687 | 3077 | 1379 | 1698 |

Source: SORS 2012

Table 15: Numbers of centres for protection and training and the number of users (protégés) 2000, 2005 - 2009

| | 2000 | 2006 | 2007 | 2008 | 2009 | 2010 |
|----------------------------|-------|-------|-------|-------|-------|-------|
| Number of centres | 40 | 70 | 71 | 88 | 99 | / |
| Number of users (proteges) | 1.976 | 2.587 | 2.621 | 3.016 | 3.038 | 3.077 |

Source: SORS 2012

In the centres for protection and training there were 920 persons that have been providing different social care services in 2010. There has been a considerable increase from the year 2007 as then just 757 persons were employed.

⁹⁷Social welfare personnel is comprised of attendants, teachers of practical lessons, social pedagogues, social workers, psychologists, receptionists, cooks, assistant cooks, servers, bursars, drivers, caretakers, dressmakers, pressers, launderers, cleaners, clerks and others.

Table 16: Number of employed in the centres for protection and training providing different social care services Slovenia, yearly

| | 2007 | | | 2008 | | | 2009 | | | 2010 | | |
|------------------|----------|-------|-----|----------|-------|-----|----------|-------|-----|----------|-------|-----|
| | TOGETHER | Women | Men |
| Employed | 757 | 556 | 201 | 893 | 642 | 101 | 872 | 631 | 241 | 920 | 649 | 271 |
| Office officials | 62 | 57 | 5 | 72 | 70 | 2 | 69 | 65 | 4 | 64 | 59 | 5 |
| Others | 24 | 19 | 5 | 30 | 22 | 12 | 41 | 31 | 10 | 50 | 41 | 9 |

Source: SORS 2012

Home care assistant

Persons entitled to institutional care can choose a home care assistant over the daily institutional care. The institute of home care assistant plays an important role in maintaining the quality life in advanced years of persons with disabilities. It is primarily intended to persons with disabilities who believe that institutions cannot offer adequate intimacy, individuality, solidarity, personal communication, homeliness and heartiness (MOLFSA 2012). A home care assistant contributes to the adequate care or appropriate satisfaction of the wishes and needs of a person with disability by carrying out the following tasks: personal care, medical care, social care and organization of leisure activities, housework assistance. According to MOLFSA there were 1.245 people entitled to the service of home assistant (as at 2 February 2007). Most of them being severely physically impaired 848 (68%). At the same time there were 1.349 home care assistants.

1.3.1 Vocational rehabilitation

“Vocational rehabilitation services are services implemented with a view to qualify the disabled for the appropriate line of work, employment, keeping of an employment, promotion or change of a professional career. Vocational rehabilitation constitutes a right of the disabled persons to individual services, such as counselling, encouraging and motivating the disabled for active participation, the drawing-up of an opinion on the level of working capacity, skills, working habits and occupational interests, provision of assistance in the area of acceptance of invalidity and acquaintance with the possibilities for the integration in training and work, provision of assistance in the area of selection of appropriate occupational objectives, development of social skills and provision of assistance in the area of finding appropriate work and employment, respectively. The disabled are eligible for the exercise of right to vocational rehabilitation provided that they do not have the right to equal services under other regulations” (State portal of the Republic of Slovenia 2012). The social services of vocational rehabilitation have been implemented by 17 institutions which provide a geographically impartial access to service. The field of vocational rehabilitation is dominated by employees who are aged between 26 and 45 years (72 %). Most are aged between 26 and 35 years. There is a significant proportion of people aged over 46 years (27,1 %). The field is dominated by women (85,6 %). Majority of them work for full time. Legal regulations state that the professional work in the field of vocational rehabilitation can be performed by workers with a university or higher education of psychological, sociological, social, pedagogical field or by workers with other appropriate knowledge in the field of rehabilitation, employment or disability, acquired through specialization, additional education or training.

Table 17: Vocational rehabilitation

| | 2008 | 2009 | 2010 | 2011 |
|--|-------------|-------------|-------------|-------------|
| The number of disabled dealt with by the rehabilitation committees | 653 | 720 | 954 | 1.066 |
| The number of disabled included in the service of vocational rehabilitation | 1.165 | 969 | 2.034 | 1.945 |

Source: Employment office of the Republic of Slovenia 2012

2. Social dialogue in the social services sector

The Economic and Social Council and stakeholders of social services sector

Social partners in Slovenia cooperate at national level in the Economic and Social Council (Ekonomsko Socialni Svet, ESS). ESS was established in April 1994 as a central body for tripartite cooperation in Slovenia. From then onwards, ESS has contributed to the successful implementation of basic economic and social reforms and the process of transition. The consultative function of ESS is realised through its activity in the preparation of legislation and other documents (such as social agreements and pay policy agreement) and giving opinions on working and draft documents that are relevant to the scope of ESS work: industrial relations; conditions of work; labour legislation etc. and broader issues affecting workers; employers and government policy. ESS discusses all reports or documents that in international/EU practice demand the opinion of the social partners. The ESS has 15 members (five representing each of the three parties) and adopts its decisions unanimously. In case of differences in opinions, these are reported. ESS has working groups (members are representatives of all three parties, and sometimes independent experts) that contribute to resolving of issues on the ESS's agenda (e.g. drafting of law proposals, evaluating reforms of social security system and various tripartite agreements). Although ESS opinions and suggestions are not legally binding, they are taken into account in discussions and decision-making. The administrative costs of the work of ESS are covered from the state budget. The main social actors agreed that social dialogue is the precondition for successful joint and individual actions. Thus social partners conclude 'social agreements' that cover important social and economic topics such as employment and unemployment policies, income

policies, tax reforms, social policies, living and working conditions (Kanjuc-Mrčela 2006, 4).

Social partners who participated in the interviews and are active in the field of social services provision see the social dialogue (as it is defined through the Economic and Social Council) as an important tool for promotion of their interests. However; understanding of the social dialogue at a formal national level varies from one stakeholder to another. Not all of stakeholders are directly included in it. The unions representing the workers employed in the social services sector are part of the Economic and Social Council. The union's representatives see the Economic and Social Council as a central point for negotiating the collective agreements that regulate the social services sector. The quality of the social dialogue depends on the topic which is being negotiated and the strength of the social partners.

The organisations representing the service providers in the social services sector are not considered to be directly involved as social partners in the Economic and Social Council. The same can be claimed for NGOs which are active in the field of social services provisions. They all express the view that it would be wise to consider some changes to the organisation of the Economic and Social Council – meaning to the organisation of the social dialogue. These changes would include broadening the composition of the Council adding NGOs and social services providers associations to the Council's gatherings (at least when their interests are at stake). NGOs representatives Centre for Information Service, Co-operation and Development of NGOs (CNVOS) **expressed that there is currently too much opposition to the inclusion of NGOs coming from other social partner in the Council.** The lobbying to include them has so far proven to be unsuccessful.

Social dialogue in the social services sector

Understanding of the quality of the social dialogue in the social services sector varies from one stakeholder to another. However; they all recognise the social dialogue as an important tool for promotion of their interests and agree that the most important decisions in regard to provision of social services cannot be made without the social dialogue. The social dialogue is understood much broader than just collective agreements agreed upon within the scope of the negotiations within the Economic and Social Council. According to the interviewed stakeholders the social dialogue is viewed in the scope of their influence on the decision-makers and policy-makers in the policy process. Such a view of social dialogue can be understood in the light of the fact that social services providers (especially the non-governmental actors and representatives of the services providers) are not directly involved in the social dialogue at the highest level (Economic and Social Council). All stakeholders expressed the view that they would like to be more actively involved in the highest formally recognised form of social dialogue in Slovenia (tripartite Economic and Social Council) as well as more actively involved in all the phases of the policy process (especially early stages of policy design) which, according to them, influences the position of all stakeholders and quality of service provision in the long run.

There are several particularities of the social dialogue that can be ascribed to the characteristics of the social protection system in Slovenia. According to the representative of the Association of Social Institutions of Slovenia there is pending issue of unclear roles of the social partners in social services sector's social dialogue. For instance: MOLFSA represents the interests of the employers and at the same time represents the interest of the users. There is a tendency that the interest and protection of the users prevails over the interest of the employers (public institution). Parallel to that, public social

institutions have to bear in mind the rights of the workers agreed in collective agreements which have been negotiated by the unions. In practice this means that public institutions need to maintain low prices for their services to ensure their provision and implementation of workers' rights. It turns out that this financial burden falls on the social services providers. There are many situations in which the negotiated rights of users and workers (from collective agreements) are not accompanied by suitable financial support by the state who is the 'owner' of the public institution, but has to come from the already existing financial sources. This is the direct result of the fact that the social services providers associations do not participate in the social dialogue at the highest level.

Similar attitude is expressed by the representative of the Slovenian Community of associations for Special Education Needs. The negotiated rights of workers are not always accompanied with new financial sources. This is the most evident in the wage policy when the services providers are faced with the pressure to increase the wages which proves to be problematic if this 'new' right is not accompanied by new financial sources. Furthermore he emphasizes that they sometimes as service providers do not feel like partners in social dialogue. For example: the state has been preparing the new policy package to tackle the economic crisis which will inevitably affect the quality and standards of social services in Slovenia. Nevertheless the service providers have not been consulted in this regard. Even when the services providers want to participate in the earlier policy designs they find it rather difficult to influence the policy designers and decision makers. Furthermore; there is no system in place how services providers would get involved in the 'elite' parts of the social dialogue and participate as full members in the Economic and Social Council. Again there is a problem with the representation of the social services provider's interests

in the Economic and Social Council as their representatives feel more represented by the unions of the public sector than the representatives of employers (which is in the case of public sector the state). In this regard the social dialogue is lacking. It is not easy to protect the interest of the services providers within the existing arrangements of the social dialogue and show the decision makers that the professional discussion matter. Another problem is the lack of professionalization on behalf of social services social providers associations.

NGOs representatives Centre for Information Service, Co-operation and Development of NGOs (CNVOS) **expressed the view that the NGOs** are not part of the formal social dialogue. In their opinion, employed in NGOs, which are funded by MOLFSA to perform social services, do not have the same rights as do the employed in public institutions providing similar services. The solution could be (in their opinion) the long-term financing and equal treatment of employees in terms of their rights in the programmes which have been verified by MOLFSA and offer social services to users. Only then can the long term provision of quality social services be ensured also by NGO sector.

We can therefore conclude that not all of the stakeholders offering social services are appropriately represented in the social dialogue. For instance: in the private sector the workers are represented by the employers' associations but in the public sector or in the social services sector the interests of the workers are represented by the state who should act as a regulator of the social dialogue system rather than (as it is the case in Slovenia) a negotiator.

General collective bargaining, the bargaining coverage rate and the quality of social dialogue

The present collective bargaining structure in Slovenia is highly centralised and inclusive. According to Stanojević (Kanjuo-Mrčela 2006, 211) “there are three levels of collective agreements in Slovenia: general agreements (for private and public sector); sectoral agreements and agreements for certain professions (e.g. doctors and journalists); and agreements at the level of company (except for micro employers – up to 10 employees). The two general agreements are the result of the bargaining of the main trade union confederations, the main employers’ organisations (two chambers and two associations) and the government for the public sector. The sectoral agreements are negotiated by sectoral trade union organisations and corresponding employers’ associations”.

The bargaining coverage rate in Slovenia is extremely high. Almost the total labour force is ‘covered’ by the provisions of collective agreements. The only two categories of employees that are not covered by collective agreements in Slovenia are managers (who have individual contracts) and higher administrative employees in the state administration and the administration of municipalities (Skledar in Kanjue-Mrčela 2006, 11). This coverage rate of collective agreements is therefore high also in the social services sector.

Social partners who participated in the interviews did not find the bargaining coverage rate to be problematic but firstly emphasized that their interests (especially stakeholders representing NGOs in the social services sector and the representatives of service providers associations) could not be expressed successfully at the highest level of the social dialogue – Economic and Social Council due to its composition, and secondly they questioned the results and the outcomes of the social dialogue in the form of collective agreements.

However; the social partners who participated in the interviews predominantly expressed the view that their interests are taken into consideration in the previous stages of policy design which is in their view also part of the broader social dialogue. Of course their opinions on how strong they can influence the policy process differ. This is also the opinion of the government representatives who participated in the interview. They think that the social dialogue should be defined in the broader sense (not just the ongoing in the Economic and social Council). The non-governmental stakeholders have the opportunity to express their opinions in the earlier stages of the policy process through their participation in different working bodies, projects councils and working groups established to enable their incorporation in the policy design as well as standards and normative of the social services determination. These are later formalised within the Economic and Social Council. The government representatives are exactly because of that convinced that the non-governmental stakeholders are not neglected and overlooked in the bargaining process. This is also the opinion of the representative of the National Council of Disabled People's Organisations of Slovenia and the representative of the state Centre for Vocational Rehabilitation (part of University Rehabilitation Institute of the Republic of Slovenia) Their view is that the social services sector is involved in the policy as well as bargaining process through formalised ways of cooperation with the government before the decisions are formalised through the Economic and Social Council. In spite of that different governments differ in their preparedness to cooperate and include the proposal coming from NGOs and services providers associations.

Key labour issues

The key labour issues discussed in the negotiations are working conditions, working time, absence arrangements, redundancy terms, training and a

range of procedural issues such as dispute resolution, trade union facilities and information arrangements etc. The collective agreement includes particularly the following topics: the employment contract, the probation work, internship, procedures for determination of ability to perform the job and the quality of work performance, distribution of workers, work from home, the rights of laid off workers, working time, annual leave, absence from work with compensation or without compensation earnings, training of employees, protection of workers' rights, termination of employment, safety at work, general provision, basic salary, evaluation of difficult working conditions, wage compensation, reimbursement of expenses related to work, innovations, salaries of trainees, salaries of trade union representatives etc.

The social partners who participated in the interviews focused mainly on the broader topic of representation in the social dialogue, especially on the lack of their representation in the Economic and Social Council. They did not problematize the content of collective agreement for the sector except of the social services providers associations which expressed the lack of government insight into the problems faced by services providers when they are faced with the obligation to fulfill the rights negotiated in the social dialogue with limited financial sources. They are faced with the strictly determined employment structure negotiated within the social dialogue which does not allow much flexibility when managing the human resources in the public institution. In their opinion the real quality of the social services should come from the assuring that users have the choice to choose whatever social services provider available therefore forcing the providers to offer quality services. In their opinion the quality of the services cannot be solely assured by the state prescribed human resources structure and standards of services especially when this is not followed by additional

financial sources by the owner of public institution offering services – the state.

Social dialogue at European level

Social dialogue at European level has not been ascribed too much importance by the stakeholders who participated in the interviews. The prevailing impression of the stakeholders is that the national level is where the real decisions influencing the social services sector are negotiated. However some social services providers as well as union representatives are part of the international associations which are part of the European social dialogue. The state representatives however do attach greater importance to the European level social dialogue than other stakeholders. They are convinced that the activities of the social dialogue at the European level influence the decisions of the stakeholders and their actions in the national social dialogue as well as the outcomes of the social dialogue which can be seen in the final decisions of public policies and collective agreements.

The social services providers associations are part of broader European initiatives in this field, the same can be said for NGOs providing social services. This cooperation is not seen as part of 'official' EU social dialogue and these stakeholders do not ascribe too much influence on the social dialogue on the national level. The union representatives however see the value of the social dialogue at the European level especially in the exchanging of the examples of best practices. They are not in favour of a more centralised European social dialogue extensively regulating labour issues on a national level. The government representatives do not share the same view. They see the social dialogue at the European level having indirectly positive effects on the social dialogue on a national level as it brings together many different state and non-state stakeholders representing

national level interest in the EU. Furthermore; they see the EU level social dialogue finalised in a European legislation having the direct effect on national policy making, legislation and social dialogue.

3. Conclusion

Slovenian social services sector is relatively diverse. The services are provided by public, non-governmental and private actors. Characterized by the unquestioned monopoly of the state in the social service provision in the socialist era, the public sector still holds to its dominant role. Nevertheless; more and more fields of social services are covered by the NGOs therefore addressing the so called grey spots in the coverage of the user's needs. This is evident by the increasing funding of the NGOs in this field by MOLFSA, by good representation of employees in terms of share of all employees in the NGO sector (even though these NGOs represent just 3,6 % of the NGO sector, they present 26,7 % of all employed in the whole sector) as well as some social services appearing on the market.

The coverage of the workforce by collective agreements has never been an issue as practically all the Slovenian workforce is covered by them. The labour market is heavily regulated in these terms. Social partners in Slovenia cooperate in the Economic and Social Council which represents a central tripartite cooperation bringing together representatives of the state, employers and workers. The Economic and Social Council is an important factor in the social dialogue as it has a consultative function and deals with the preparation of legislation and other important documents such as social agreements and pay policy agreement. It represents social dialogue at the highest level. Our interviewed stakeholder, however do understand social dialogue in a much broader terms. The social dialogue is the whole process of influencing the policy making and not just the collective agreements which

are the results of the negotiations within the Economic and Social Council. Such a view of social dialogue can be understood in the light of the fact that social services providers (especially the non-governmental actors and representatives of services providers) are not directly involved in the social dialogue at the highest level – they do not take part in the Economic and Social Council. This is the issue that will need to be addressed in the future if we want to make social dialogue at the highest level more inclusive and to assure that the actors providing more and more social services will be better heard.

Interestingly; the stakeholders did not attach too much importance to the social dialogue at the EU level. They are aware of it, some (unions) are taking part in it, and other stakeholders are part of the international associations of the service providers associations and other NGOs associations that are active at the EU level. The national level social dialogue is ascribed relatively more weight in the final outcome of the public policies and especially collective agreements regulating the social services sector.

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National Report SPAIN



Cáritas Española

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Supported by: DG Employment, Social Affairs and Inclusion

Introduction

The aim of the research project 'Project PESSIS: Promoting employers' social services in social dialogue' is to provide a detailed understanding of how social dialogue is organised and structured (or not) in the social services sector in Europe. It aims to identify barriers to increased cooperation among employers in the sector. The term social dialogue is defined as 'a dialogue between employers and employees'. Eleven national studies will contribute to an overall European perspective of social dialogue in the social services sector, outlined in the European summary report.

Each national report presents a 'picture' of how social dialogue is organised at local, regional and national levels and has addressed the following six research questions:

1. What is the size of the social services sector, both in terms of workforce and of employers in aggregated value?
2. How well represented is the sector in terms of number of employers and workers covered by collective agreements?
3. What are the types of social dialogue or collective agreements that exist?
4. How many employers of the sector are involved in social dialogue and at what level?
5. What are the key labour issues dealt with and at what level?
6. Are there any labour issues that could be dealt with at European Union (EU) level?

'Social services' is a term that can be interpreted in different ways across Europe but for the PESSIS project, the key groups included are:

- ◆ Long term elderly care
- ◆ Disability
- ◆ Childcare

A fourth variant (Social Exclusion) was added which, at least in Spain, has been one of the main objectives of the sector, therefore the focus of this national report is the exclusion sector and the three groups listed above.

This fourth area takes on a significant importance, given the current economic environment since, only in the last few years in Spain, according to the CÁRITAS paper "**Social Exclusion and Development in Spain. Analysis and Outlook 2012**" (2012), living conditions in Spain have worsened for the population as a whole and, more specifically for 25.5% , or 11,675,000 citizens, were at poverty risk in 2010, latest data available in the abovementioned study.

Another significant fact the paper provides is that the number of people assisted in the Cáritas Shelters alone has doubled since 2007, which is why a large part of the Social Action Third Sector in Spain is focused on this group. The terms public, for-profit and not-for profit sectors are widely used across Europe. They are defined in this report as:

Public sector – Government departments, public sector agencies or municipal authorities commission social services in many countries and contract for-profit and / or not-for profit providers to deliver social services. In some countries, social services may still be delivered by municipal or regional government authorities. Public authorities (national, region or local government) may fund social services by providing money directly to individuals.

For-profit sector – Providers of social services which operate to make a profit. They may operate with shareholders or they may be private companies, owned by one or more individuals. In some countries, family businesses deliver social services. They may be large or small in size.

Not-for-profit sector – Providers of social services, which do not operate to make a profit. In some countries this sector may be called the voluntary or charitable sector. In some countries, volunteers deliver some of the services for the not-for-profit sector.

1.1 Methodology

The stages in the research for the creation of the report have been as follows:

Documentation stage:

The collective agreements for the social sector have been reviewed, as well as publications in the sector, in an effort to have a clearer picture of the structure in the sector.

The following table shows the relationship between the areas of the study, the structure of the social services sector in Spain and a list of the collective agreements signed.

TABLE 1: CORRESPONDENCE: AREAS OF THE STUDY/AREAS OF THE STUDY IN SPAIN

| EU APPROACH: SECTOR STUDY | SPANISH APPROACH: SECTORS OF THE STUDY | NATIONAL COLLECTIVE AGREEMENTS: SIGNED OR UNDER NEGOTIATION ⁹⁸ | CNAE |
|------------------------------|--|---|-----------------------------|
| Long term Elderly care. | Elderly people / Dependency | Assistance services to dependent people and the fostering of the development of personal | 871, 873, 879, 881 |

⁹⁸ There are others at the Autonomous and Provincial level.

| | | | |
|---------------------|--------------------------------------|--|--------------------|
| | | independence | |
| Disability | People with Disabilities/ Dependency | Assistance centres and services to disabled people | 872, 873, 879, 881 |
| Exclusion | Social Action and Intervention | Social action and intervention (under negotiation). Juvenile reform and Protection to Minors, Children, Youth and Family | 87 y 88 |
| Infancy/Exclusion | | | 872, 889 |
| Infancy (Childcare) | Educational Sector | N/A | N/A |

Therefore, and given the present effort to establish the boundaries of the Third Sector in Spain, cited as examples in the introduction of this report, we have decided, on the one hand, to take into account the two most structured subsectors, the Dependency/Elderly and the Dependency/Disability and, on the other, to encompass the remaining activities in social services, to use the term they themselves use to define the sector: Social Action and Intervention.

The compiling of data regarding size, structure and economic data has been based on the CNAE (National Standings in Economic Activities 2009) and previous studies.

Empirical and analytical stage:

The study of the social dialogue/collective bargaining reality has been carried out through in-depth interviews of relevant actors in this field. This has been decisive to know the structuring of the sector in Spain, as mentioned in the documentary stage, which is what defines the functional areas of the existing collective agreements or those under negotiation.

We are grateful for the participation and the interest shown by all of the participants in this study.

Once the interviews were done, we have carried out a speech analysis in order to have a true picture of the sector regarding collective bargaining, followed by a feedback to all of the participants to check on the research, and, by enlarging the field, to have as many points of view as possible.

1. Profile of the social services sector.

Introduction

Social Services are dedicated to prevent, reduce or correct maladjustments between what individuals are able to do independently in their daily lives and the community or family networks to which they belong and which provide them with support.

Although there does seem to be a certain structure under the Economic Activities (Social Services fall under sections 87 and 88 of the CNAE in Spain) there is a certain ambiguity as to establishing the scope of the social services sector. What frequently identifies the sector is not so much the service in itself as the other more qualitative features, such as financing, the legal nature of the entity, the way of provisioning or qualitative features in the person who receives the attention. This brings about a certain overlapping with other sectors, such as health, education, hospitality or work at home.

On the other hand, subsectors which have strong economic and functional foundations, such as assistance to the elderly in retirement homes, coexist with others that are less consolidated and stable, such as care at home, or leisure activities for people with disabilities.

Day care, for children, activities are not regarded as social services as such, since they are culturally understood to be an integral part of the education system, between the ages of 0 – 6 schooling is not compulsory, i.e. Spain was the fourth EU country in rate of schooling of children aged three, with 96.2%, 22.3 points above the average for Europe.

In another order of things, in the sector coexists public entities, or those ascribed to them, private entities and what is known as the Social Action and Intervention Third Sector, composed of specific entities established by civil society under legal coverage that encompasses not-profit associations.

Background: defining the social sector

A review over the history of the Social Action Third Sector as we see it at present will show that it really did not come into being until Spain's entry into the European Union, although organizations such as RED CROSS and CÁRITAS existed already, they did not talk about the Social Sector but rather of Charity with the aim of assisting those groups at risk of exclusion or in social exclusion.

Regarding the elderly people and the people with disabilities assistance to these groups fell on their families, at home, where, strictly speaking, it was women who cared for them, and it was not considered a qualified activity. Severe mental disability was covered by health care and patients were hospitalized.

In the mid-eighties, Spain's political and economic situation takes a drastic turn, politically, due to the strengthening of democracy and entry into the European Union, and economically, due to the flow of funds provided by the European Union and its convergence policy. This brought about high economic growth and state welfare and a government provision of social services that were unequalled.

Thus, tasks that had been in the field of the home started to become professionalized and women, with their entry into the labour market, filled most of the positions in the Third Sector, in all of the subgroups into which it is divided.

Once women join the labour market in a general way, assistance to these groups has to be outsourced, becoming part of the economy, through the public sector, through the market or through the Not-for-Profit sector, according to which type of entity provided the service.

The evolution in the provision of these services is linked to the evolution of civil society, with the appearance of social movements such as 0.7% in the nineties. This type of social movement is organized in entities which define themselves as Non-Governmental and Not-for-Profit, and they will be the main actors in the Social Action and Intervention sectors.

The most visible to the public are the NGO's in Cooperation Development, but along with these there also appear, due to the outsourcing of the services in the Public Sector, those organizations which provide a service to risk groups within Spain.

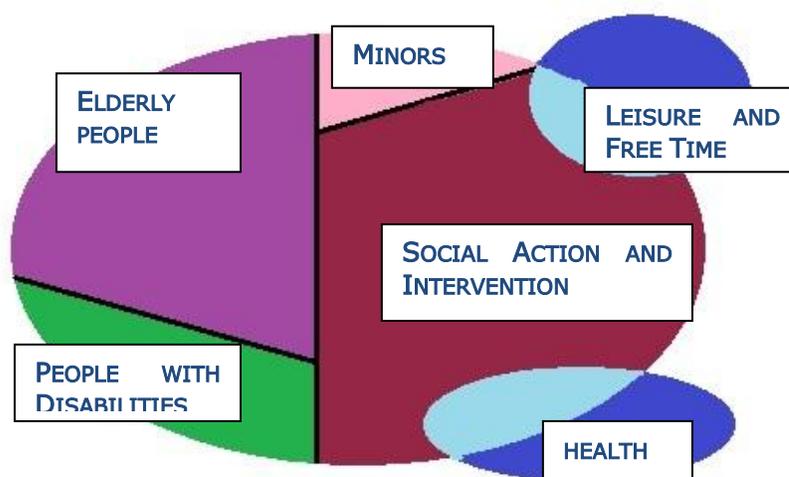
It is worth pointing out that childcare for children until they go to school, legally required or not, falls in Spain to the Educational Sector. What is part of Social Action and Intervention is the assistance to minors and the specific laws relative to their protection and reform.

2. The largest groups inside the social sector. A brief.

Having made the introduction to the Third Sector and explained the methodology used, we will specify the three groups it is divided into in Spain:

- ◆ Elderly/Dependency
- ◆ Disability/Dependency
- ◆ Action and Social Intervention
 - Social Action and Intervention (including minors, in the regulated environment of negotiation, Minors and Reform or Infancy, Youth and Family)
 - Development Cooperation

There are other sectors, which indirectly, to the degree that their activity may be at times aimed at people under risk of exclusion, carry out activities in a social context. Due to this, the social sector in Spain would be defined as follows:



Source: Based on the graph: "The Social Action Third Sector" by Ricardo Molinera. Cáritas

All the informants questioned agree that the existence of specific laws which apply to the Elderly People and the people with Disabilities as well as to Minors are the main reason for the division of the social sector into subgroups, giving rise to the different collective agreements. The inclusion of Development Cooperation in the sector is one of the contributions of this research.

The different sectors have been defined based on the functional context as defined in the collective agreements, since these establish a consensus agreement between employers and worker representatives.

Elderly People/Dependency

Within the social sector, this group defines its functional sphere, and in accordance with the recently signed collective agreement (2012, pp1) at a national level as:

"The scope for the application of this collective agreement is made of the companies and enterprises which carry out their activities within the sector of assistance to dependent people and/or the development of the support for personal autonomy; homes for the elderly, day or night centres, sponsored homes, home assistance services or teleassistance. Any of these regardless of name and with the single exception of those whose management or ownership belong to a public administration.

Also covered by this collective agreement are the departments, lines of business, sections or independent units of production devoted to the provision of the service in a working context, even when the company to which they belong may have a different line of business or more than one line of business in different productive sectors.

Specifically excluded from the application of this collective agreement are those companies which carry out specific health care activities as their fundamental activity, understanding this exclusion, will not harm health care for people who may be residents or users of the above mentioned services, as these activities are a consequence of their age and/or dependency."

According to the IMSERSO (2012) (Institute for the Elderly People and Social Services) there are around 4639 retirement homes, community and sponsored homes.

TABLE 2: HOMES

| Ownership | Amount | Sponsored ⁹⁹ | % according to ownership | % Chartered regarding the total amount | % Chartered in each subgroup of ownership |
|------------------------|--------|-------------------------|--------------------------|--|---|
| Private | 3025 | 1215 | 65,21% | 26,19% | 40,17% |
| Not-for-profit private | 510 | 19 | 10,99% | 0,41% | 3,73% |
| State | 4 | 0 | 0,09% | 0,00% | 0,00% |
| Autonomous | 335 | 92 | 7,22% | 1,98% | 27,46% |

⁹⁹ By chartered we are referring to the fact that the competent public administration (State, Autonomous Community, Provincial or Town Hall) finances the residence interns but the management is private

| | | | | | |
|-------------|-------------|-------------|----------------|---------------|---------------|
| Provincial | 61 | 13 | 1,31% | 0,28% | 21,31% |
| Local | 622 | 363 | 13,41% | 7,82% | 58,36% |
| Subtotal | 4557 | 1702 | 98,23% | 36,69% | |
| Unspecified | 82 | | 1,77% | | |
| Total | 4639 | | 100,00% | | |

According to the same source (IMSERSO) but in the day centre category (depending on ownership) also applicable to the Elderly People subgroup we can see:

| TABLE 3: DAY CENTRES | | | | | | | |
|-------------------------------|---------------|-------------------------|-------------------------------|---------------------------|--------------------------------|-------------------------|------------------------------|
| Ownership | Amount | Publicly Managed | % of Public Management | Private Management | % of Private Management | Mixed management | % of mixed management |
| Private | 1204 | 4 | 0.33% | 970 | 80.56% | 5 | 0.42% |
| Not-for-profit private | 142 | 2 | 1.41% | 128 | 90.14% | 2 | 1.41% |
| State | 1 | 1 | 100.00% | 0 | 0.00% | 0 | 0.00% |
| Autonomous | 543 | 81 | 14.92% | 99 | 18.23% | 5 | 0.92% |
| Provincial | 37 | 6 | 16.22% | 26 | 70.27% | 0 | 0.00% |
| Local | 660 | 165 | 25.00% | 141 | 21.36% | 2 | 0.30% |
| Subtotal | 2587 | 259 | 10.01% | 1364 | 52.73% | 14 | 0.54% |
| Unspecified | 133 | | | | | | |
| Total | 2720 | | | | | | |

The results obtained regarding day centres are cross referenced with the kind of management, be it public, private, or mixed. As may be observed, the majority are privately managed, although these data are not final because there are 1083 centres for which there is no information on the kind of management.

The fully public side of this sector, regarding the direct provision of services, is limited to those State Centres, they are Centres specializing in a certain type of case and there are four presently in operation.

However it can be observed, as was clearly established in the canvassing, that the different public administrations act mainly as a financier, not as a service provider.

Along these lines, it can also be seen that, within the sector, the mercantile/profit aspect is the most important. According to the collective agreement only a third of the sector is Not-for-profit.

People with Disabilities/Dependency

People with Disabilities, whether physical or mental, is traditionally ascribed to Dependency, however it is segregated from dependency as such, as it has its own social dialogue and collective agreements.

For a more precise approximation, we include the definition of the work environment functional sphere as set in the Collective Agreement (2010, pp72551-72552):

1. *"The present Agreement shall include all companies and work places whose aim is the assistance, diagnosis, rehabilitation, training, education, promotion and work integration of people with physical, mental or sensorial disabilities as well as the associations and institutions set up to this purpose.*
2. *For the individual consideration of the different type of enterprise and centres object of this Agreement, requiring differentiating work conditions, the Agreement regards the following as applicable to each of the enterprises and centres according to the following types:*
 - A. *Centres or enterprises with an assistance nature – For the purposes of this Agreement, we understand Centres of Assistance for people with disabilities those , regardless of the nature, kind or structure of the ownership, which have, as their aim the assistance, care, training, rehabilitation and promotion of people with physical, sensorial, character or personality challenges and alterations or social conduct disorders, as well as the institutions or associations set up with this aim...*
 - B. *Educational Centres. Centres for Special Education*
 - C. *Workplaces: Centres for Special Work."*

The structure of the subsector regarding the type of entities that are part of it (profit and not-for-profit) is mainly organized through Not-for-profit organizations.

According to the approximate data give by the key informants there is approximately 9000 entities working in this subsector, both in terms of a welfare centers and in special employment centers. And the Centers for special education are tending to disappear, due to the policies of inclusive education.

There is a common trait that differentiates the Elderly People and People with Disabilities form from the Social Action and Intervention Sector, and that is their structure, being sectors with economic activity dating back to the nineties, for example: in People with Disabilities/Dependency they are presently negotiating the 14th Collective Agreement and in Elderly People/Dependency they have just signed the 6th , whereas in Social Intervention and Development Cooperation they are presently negotiating the first Collective Agreement of a National scope.

Social Action and Intervention

The establishing of the scope of Social Action and Intervention is one of the most complex issues in the report, as previously mentioned we shall include in this category, and for the reasons mentioned, the areas of intervention, based on the Collective Agreements, signed or under negotiation at a national scale.

- Juvenile Reform and Protection to Minors.
- Social Intervention and Development Cooperation.

Although there is a specific collective agreement for Infancy/Minors, they are included in the field of social action and Intervention in the current Collective bargainings, and as will be seen when defining their different work scopes, functional spheres, the above mentioned are included.

The debate at this point is whether the existing collective agreements should be included in the scope of Social Action, a debate which in the case of Minors is awaiting a court resolution.

In the absence of a National Collective Agreement in this area, the work scope has been taken from the current collective agreements, one Autonomous and two Provincial ones.

The Collective Agreement for the Catalonia Autonomy (2011, pp57625) defines the work scope functional sphere as follows:

"Included under the present collective Agreement, regardless of the ownership of the service, are all of the enterprises and/or entities which provide social action activities to children, youths, families and others in an at risk situation (...)

Services fighting social marginality and poverty: services which detect, assist and provide social treatment of people in a poverty and social exclusion. Treatment Centres, Homes and Shelters, Winter Shelters, Day Centres and Social Insertion teams and Food services.

Also under the cover of this Agreement shall be the lines of business, sections or any other productive unit of companies working in the provision of services in the work environment of the present Agreement, belonging to any company regardless of their main activity. The above list is not intended to be final, therefore any other activity, prior ruling by the Commission created for this purpose, existing or to be created shall be included, should their functions be under the above-mentioned list..."

In the existing Provincial collective agreements (Bizkaia and Gipuzkoa, provinces in the Basque Country) the working environment is defined in a similar way, although, as the Gipuzkoa one (2011, pp50-51) came after the Bizkaia one, it is more specific and therefore used as a reference:

"The present collective agreement shall be applicable to all those enterprises, associations, foundations, centres, entities or similar organizations (herewith: organizations) whose main activity is the carrying out of Social Intervention activities, whose legal status is not publicly-owned, nor whose single or majority shareholder is a Public Administration.

Social Intervention is understood to be the set of activities or actions that are carried out in a formal or organized way in response to a social need and whose purpose may be to soften, prevent or correct social exclusion processes as well as the fostering of those of social inclusion or participation.

This Agreement shall include the areas of social action, as well as the socio-labour and social-health, and also those socio-cultural and socio-educational and sudden mental illnesses (...)

The target groups are equally diverse: minors and youth, women, the elderly, economically excluded people, the homeless, people with mental problems due to any type of addiction or former addiction, immigrants, the unemployed, convicts and ex-convicts; in any case, people or groups in exclusion, at risk of exclusion or who require a fostering of their social participation among others.

Also included in this Agreement are the divisions, business lines, sections or any other unit dedicated to the provision of services in the work environment even when they may be a part of an organization whose activity may be of a different nature or covers a range of sectors with its activities., with the exception of those whose agreed conditions are more beneficial than the ones included in this agreement, in which case the aforementioned shall be the guaranteed minimum.

Likewise, those organizations whose main activity is environmental, sports or culture, in the strictest sense and with reference to what is mentioned in the previous paragraph.

Expressly excluded are those organizations whose main activity is the assistance and care of people who are physically and/or mentally disabled as well as those whose activity is related to Development Cooperation.

Also excluded are employment workshops, retirement homes and residences and the home assistance services which have coverage of their own (...)

Finally, excluded are the Lifeguard services in beaches and the people who receive the training and employment programs in the scope of this Agreement, even when provided by the entities within the scope of this Agreement."

This Agreement has attached a consensus catalogue of non-excluding activities, which we will not include for concision purposes. They can be found in the published collective agreement.

As can be seen, both collective agreements include activities related to Infancy and the socio-educational ones in the functional sphere.

One peculiarity of the abovementioned provincial collective agreements is the non-inclusion of Development Cooperation activities in their functional sphere, whereas, it is included in the national one, which is presently under negotiation.

Therefore the projected scope to be signed in the framework of the national General Agreement (2012, p.8) in a consensus with employers is:

"The present collective agreement is applicable to employees of enterprises or entities which, regardless of their legal status, design and/or carry out programs and actions in Social Action and Intervention defined as follows:

Under this Agreement shall be the activities carried out in Social Action and Intervention in the socio-labour, socio-health, socio-cultural and socio-

educational, psycho-social, assistance socio-communitary intervention, international cooperation, and any other field whose aim is to detect, prevent, soften or correct situations of vulnerability and social exclusion or foster processes of inclusion, insertion, dynamics, participation and social awareness processes in favour of those people in situation of exclusion or social vulnerability.

Also included in this collective agreement are the divisions, lines of business, sections or independent productive units devoted to the provision of services in the field, even when the main activity of the company to which they belong is different or the company participates in different sectors, unless the terms agreed to in these organizations are more beneficial than the ones in this Agreement, in which case the aforementioned shall be the guaranteed minimum.

Expressly excluded are the activities regulated by the following Collective Agreements:

National Collective Agreement for Dependent People and the Development of the Fostering of Personal Independence.

Collective Agreement for Centres and assistance to disabled people.

Collective Agreement for Education and Unregulated Education.

Collective Agreement for Juvenile Reform and Protection of Minors.

National Collective Agreement Framework for Educational Leisure and Socio-cultural animation.”

This subsector is mainly represented by not-for-profit management, with a 50% representation at a national level.

The employees of the social sector

This section will provide an approximation to the employees in the social services sector, divided by gender, age and type of social service (understood to be within the three main groups defined previously)

The existing data regarding the number of employees have been obtained from the latest Active Population Survey (EAPS) which the National Statistics Institute (INE) carries out, with data from the 2010, 2011 and the first quarter of 2012 surveys, although only specific as regards to gender.

According to the National Classification of Economic Activities (CNAE) social services are included under codes 87 and 88; Assistance in Residences and Social Service Activities without shelter respectively.

The data have to be taken as being an approximation, due to the fact that many Not-for-profit organizations listed themselves under another code when they started their activities, i.e. 94.Associatives activities.

Data from 2010 to 2012 have been chosen in order to obtain a multi-annual comparison.

According to INE data, the social sector in Spain regarding people working in it would look as follows:

TABLE 4: EMPLOYEES

| | TOTAL | | |
|--|-------|-------|--------|
| | 2012 | 2011 | 2010 |
| 87 ASSISTANCE IN RESIDENCES | 245.5 | 264 | 251,7 |
| 88 SOCIAL SERVICE ACTIVITIES WITHOUT SHELTER | 226.5 | 218,3 | 211,2 |
| 94 ASSOCIATIVE ACTIVITIES | 96 | 100,7 | 94,2 |
| Total | 568 | 583 | 557,19 |

Source: INE: Series 2005-2012EAPS, and first quarter of 2012
Units: people per thousand

Stratification of employees according to gender would be as follows:

TABLE 5: EMPLOYEES BY GENDER

| | MALE | | | FEMALE | | |
|--|-------|-------|-------|--------|-------|-------|
| | 2012 | 2011 | 2010 | 2012 | 2011 | 2010 |
| 87 ASSISTANCE IN RESIDENCES | 37,9 | 37,1 | 34,9 | 207,6 | 226,9 | 216,9 |
| 88 SOCIAL SERVICE ACTIVITIES WITHOUT SHELTER | 24.1 | 25,8 | 30,5 | 202,4 | 192,5 | 180,7 |
| 94 ASSOCIATIVE ACTIVITIES | 38.1 | 39,8 | 37,2 | 57,9 | 60,9 | 57 |
| Total | 100,1 | 102,7 | 102,6 | 467,9 | 480,3 | 454,6 |

Source: INE: Series 2005-2011EAPS. And first quarter of 2012
Units: people per thousand

The sector is predominantly female, as can be seen by an 87% representation of women in the sector.

Regarding the age groups, in the 87 and 88 codes of the CNAE for Social Services are as follows:

TABLE 6: EMPLOYED BY AGE GROUP AND AREA OF ACTIVITY (2011)

| | 87. Assistance in Residential Centres | | 88. Social Service Activities without shelter | |
|----------------------|---------------------------------------|--------|---|--------|
| | Units in thousands | % | Units in thousands | % |
| Aged 16 to 34 | 72 | 27.51% | 61.7 | 28.63% |

| | | | | |
|----------------------|--------------|-------------|--------------|-------------|
| Aged 35 to 44 | 68.5 | 26.18% | 56.6 | 26.26% |
| Aged 45 to 54 | 79.5 | 30.38% | 58.6 | 27.19% |
| Over 55 | 41.7 | 15.93% | 38.6 | 17.91% |
| Total | 261.7 | 100% | 215.5 | 100% |

Source: INE Active Population Survey: Series 2005-2011. Fourth Quarter 2011. Units thousands.

For the Other Services group, the data are the following:

| TABLE 7: EMPLOYED BY AGE GROUP AND AREA OF ACTIVITY (2011) | | |
|--|----------------------------|-------------|
| | S Other Services | |
| | Units Thousands | % |
| Aged 16 to 29 | 89.6 | 23.14% |
| Aged 30 to 39 | 122.6 | 31.66% |
| Aged 40 to 49 | 95.9 | 24.77% |
| Aged 50 to 59 | 56.2 | 14.51% |
| 60 and over | 22.9 | 5.91% |
| Total | 387.2 | 100% |
| Source: INE Active Population Survey: series: 20052011. Fourth Quarter 2011 Units: people per thousand | | |

As can be observed, in the 87 and 88 code of activity, the weight of the employees is in the 45 to 55 age group, in Other Services it is in the 30 to 39 age group, with a highlight in the 16 to 29 and 40 to 49 age groups which make up close to 25% of the people employed.

The age groups are different. The data for the age groups in codes 87 and 88 have been supplied, upon request by the INE. The data for code S Activity are the ones published on the INE website; we have grouped age intervals so they were as similar as possible between them.

Features of the social service sector organizations.

This section attempts to define the social services sector regarding the entities which are part of it.

a. Type of entity.

The first stage of organization classification is: public, private for-profit and private not-for-profit:

Public organizations:

Public organizations are tending to disappear, as direct providers of services, and their role is becoming that of a financier of these services. The most relevant of these would be the services provided by Town Halls, although there is no data for the nation as a whole and they cannot be classified as a public organization.

Profit and Not-for-profit organizations

Before starting the breakdown of the profit and not-for-profit organizations in the sector, and taking into consideration the lack of specific data, we have taken the following approach: starting from INE data, from the tables called

Central Companies Directory, through the (NACE) mentioned in the methodology section, under which different organizations are registered, with code 87 (Assistance in Residential Centres) , 88 (Social Service activities without shelter) and 94 (Associative Activities), we have obtained the sector's total data for 2011.

TABLE 8: COMPANIES BY LEGAL STATUS, MAIN ACTIVITY (NACE GROUPS 2009)

| MAIN ACTIVITY | COMPANIES BY LEGAL STATUS | | | | |
|---|---------------------------|------------------------|-----------------------------|--------------------|-------|
| | Legal Person | Incorporated companies | Limited liability companies | Other legal status | Total |
| 87.Assitance in Residential Centres | 407 | 230 | 2516 | 1891 | 5044 |
| 871. Assistance in Residential Centres with health care | 152 | 32 | 644 | 326 | 1154 |
| 872. Assistance in Residential Centres for people with mental disability, illness and drug dependency | 21 | 11 | 114 | 183 | 329 |
| 873. Assistance in Residential Centres for the Elderly or Disabled | 229 | 184 | 1732 | 1186 | 3331 |
| 879. Other assistance activities in Residential Centres. | 5 | 3 | 26 | 196 | 230 |
| 88.Social service activities without shelter (Subtotal) | 778 | 48 | 1519 | 2443 | 4788 |
| 881. Social service activities without shelter for the elderly or Disabled | 359 | 20 | 828 | 1141 | 2348 |
| 889.Other social service activities without shelter | 419 | 28 | 691 | 1302 | 2440 |
| 94. Associative Activities | 23 | 5 | 8 | 33669 | 33705 |
| 941. Company, professional or management organization activities | 9 | 4 | 4 | 4533 | 4550 |
| 942. Union activities | 0 | 0 | 0 | 346 | 346 |
| 949. Other associative activities | 14 | 1 | 4 | 28790 | 28809 |

Source: Preparing by the author on the basis of INE data: Central Companies Directory

Private for-profit Organizations

Lacking more available broken-down data, we can estimate their size as the sum of the incorporated companies and legal person (employer's also) giving us a sector total of 5534.

Although It is difficult to establish a correspondence between the NACE and the sector's large groups, there is greater presence observed in the Elderly People sector and in the People with Disabilities one, in particular:

- ◆ 871 Assistance in Residential Centres with health care.
- ◆ 872 Assistance in Residential Centres for people with mental disability, illness and drug dependency.
- ◆ 873 Assistance in Residential Centres for the Elderly or Disabled.
- ◆ 881 Social service activities without shelter for the elderly or Disabled.

Whereas in the Social Action and Intervention, we can suppose there is a reasonable presence in these areas:

- ◆ 871 Assistance in Residential Centres with health care.
- ◆ 872 Assistance in Residential Centres for people with mental disability, illness and drug dependency.

Especially so in:

- ◆ 879 Other assistance activities in Residential Centres.
- ◆ 889 Other Social Services activities without shelter.
- ◆ 949 Other Associative activities.

Not-for-profit Organizations

Regarding the Social Action and Intervention Sector and according to the study by The Fundación Luis Vives (EIDS, 2010 P. 20), with data from 2008, there would be 28790 not-for-profit organizations, out of which approximately 19, 000 would work in the Social Action and Intervention field, out of these 7223 (EIDS, 2010, p.52) would have direct intervention as their main activity.

The INE data for 2011 would yield 31, 249 Organizations in the NACE which come close to the "other" status, if we were to apply the percentages used by the Fundación Luis Vives' study (EDIS 2010, p.52) the number would be very similar: 7840. In any case the data must be handled with caution, since:

- ◆ Firstly, there are a variety of legal structures that groups the same type of organization: Collective Societies, Commandatory Societies, Communal Goods, Cooperatives, Associations and others, Autonomous bodies, Religious organizations and institutions.
- ◆ Many organizations working in the Third Sector may not be registered under the codes we have chosen, although these are the most specific.
- ◆ Maybe their main activity is not that of the code.

b. Professionals who work in these entities

According to INE data and following the tables of the General Company Directorate, specifically the table "Companies by legal framework, main activity (CNAE groups 2009) and employee stratum" the sector companies regarding the number of employees appears as follows:

| TABLE 9: EMPLOYEES BY MAIN ACTIVITY AND COMPANY SIZE | | | | |
|---|---|---|----------------------------------|--------------|
| SIZE OF COMPANY | MAIN ACTIVITY | | | Total |
| | 87 Assistance in Residential Centres | 88 Social Service Activities without shelter | 94 Associative Activities | |
| No employees | 690 | 1300 | 11949 | 13939 |
| 1 to 2 employees | 409 | 932 | 12290 | 13631 |
| 3 to 5 employees | 435 | 697 | 4193 | 5325 |
| 6 to 9 employees | 521 | 530 | 2404 | 3455 |
| 10 to 19 employees | 1101 | 526 | 1421 | 3048 |
| 20 to 49 employees | 1218 | 435 | 876 | 2529 |
| 50 to 99 employees | 445 | 185 | 302 | 932 |
| 100 to 199 employees | 142 | 99 | 173 | 414 |
| 200 to 499 employees | 53 | 59 | 78 | 190 |
| 500 to 999 employees | 15 | 13 | 17 | 45 |
| 1000 to 4999 employees | 14 | 9 | 2 | 25 |
| Over 5000 employees | 1 | 3 | 0 | 4 |
| Total | 5044 | 4788 | 33507 | 43537 |

Source: Preparing by the author on the basis of the data of the "Company by legal status, main activity, (NACE groups 2009) and employee strata" from INE

As can be seen in the table, entities with between 10 and 49 employees under code 87 are nearly 50% of the total; however for codes 88 and 94 nearly 73% of the ascribed companies have fewer than 10 employees, which may indicate two essential things: sector atomization and volunteer work. Regarding the Elderly People, the FED (Business Federation for dependency assistance), the main management employer organization in the sector, including the Autonomies, quotes a figure of 5000 businesses, although the sector itself speaks of centres, not businesses, because there are large operators with many centres throughout the country in the Elderly People sector.

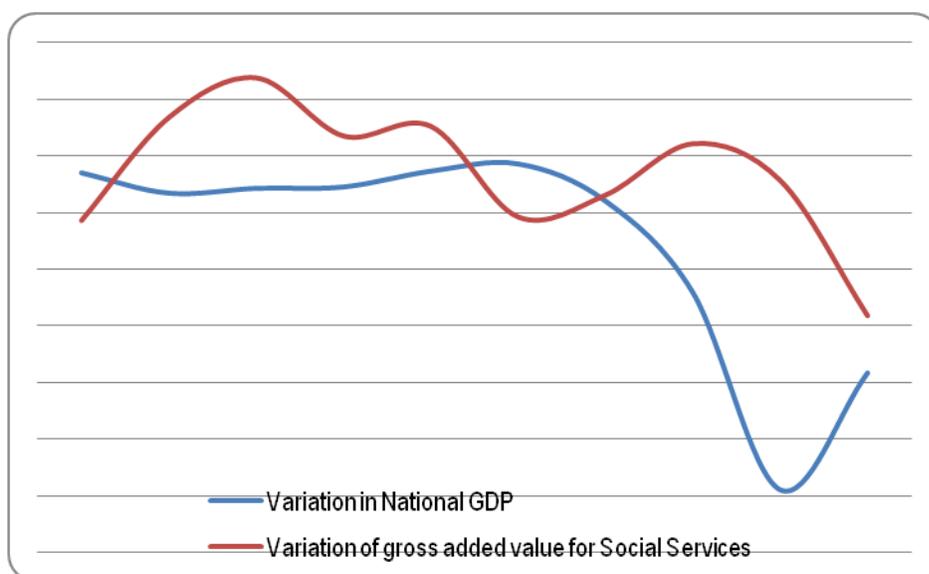
The presence of private mercantile initiatives is scarce in the remaining subsectors, although the tendency is rising, because other businesses are diversifying and are entering the sector, EULEN and CLECE for example, but they do not provide accounting in these areas because it is not their main activity.

Business volume/income and profits in the social sector.

There is a lack of reliable data, but one which offers very useful information to size up the social services sector is its share of the GDP.

According to INE data (INE 2011, Rates of Domestic Accounting) the Social Services Sector (CNAE 87 and 88) has undergone continual growth, both in gross Added Value (with a total of 12.322 billion €) as well as its share of the Spanish GDP, representing 1.17% in the year 2010.

EVOLUTION OF THE VARIATION OF GDP AND THE GROSS ADDED VALUE FOR SOCIAL SERVICES



Preparing by the author on the basis of INE data

If we look at the variations of the data through time, we can see that, apart from 2006, growth in the sector is higher than the economic growth, showing the delay of one year in the impact of the recession, largely due to the main financing patterns in the sector, dependent upon the public sector.

4.3 Sources of financing for the suppliers of social services

The main sources of social services financing are the various public administrations, be they the State, Autonomous Communities, Provinces or Town Halls.

As has been mentioned in the Elderly People/Dependency section, of the Centres in all of the country, in the private mercantile case there is a 40% of direct public financing and for the not-for-profit, and according to the available data, 3.75% of direct public financing.

Of those of public ownership, a 21% of the total, nearly half have private management.

The remaining ways of financing, come, either through direct public administration aid (depending on the Autonomous Community, the amount varies) or through the fees of their users or their families.

According to the aforementioned Fundación Luis Vives study, over 60% of Social Action financing is of a public nature. 23% comes from private funding (savings and loans, companies, etc.) donations and member quotas, the rest, 14% is self-financing.

It also shows that the entities which work in the Third Sector have different financing according to their legal status. In this way, Associations are the ones which receive most money from the public sector, 65.4%, foundations 54.8% and the singular entities, (Red Cross, Cáritas, ONCE) 35.9 %.

Public financing is distributed through subventions, charters s or tenders. Private financing comes from donations or quotas, and self -financing come from the sale of goods or services of the entities on the market.

It is the smaller organizations which, as a rule, have a greater dependence on public administration funds. According to the Social Action Third Sector Yearly, this type of organization has an income volume of up to 1,000,000 € and are mainly Associations.

One of the present debates in the Third Sector is the search for alternative financing, and the "Strategic Plan for the Social Action Third Sector. Proposals for the Improvement of Public Financing in the Social Action Third Sector", by the Social Action NGO Platform 2011, is a good example.

This strategic plan includes some proposals that, because of the economic crisis and the changes in the Spanish finance system, must be re-addressed, as an example the potential financing from the local savings banks which, due to the mergers recently carried out, has been brought to a halt.

3. Social dialogue in the social services sector

Social dialogue in Spain

Social dialogue is primarily understood as the dialogue between employers, unions and government or public administrations. In some cases it may also be extensive to Associations, Organizations or interest groups, depending on the matter to be dealt with.

One of the basic features of social dialogue is that it is not regulated and it is not binding, so the conclusions or agreements reached are simply recommendations. Along these lines, the State or corresponding Public Administration does not legislate; it rather tries to reach agreements with the main actors in these in the issue at hand.

Social dialogue in Spain takes place, mainly, among government, unions and employers, in all sectors and it is a part of Spanish political and social reality since the advent of democracy.

Attached, Annexe II, are some of the main agreements reached through social dialogue, in a labour environment, ranging from, on the one hand, 2004 to 2007 and 2008 to 2011 on the other.

Social dialogue in Spain, at present, has been affected by the economic crisis, bringing about losses in some areas, for example the freezing of pensions, cuts in dependency, etc...

With the current situation, unions feel that social dialogue has broken down. Along these lines, and up until mid-2011, social dialogue has been an essential part in the social and political spheres. From that time, the feeling in the unions, and our informants, is one of expectancy.

Social dialogue in the social services sector. Main features

As mentioned in the previous section, social dialogue in Spain is carried out among the government, unions and employers.

There is no social dialogue, as defined above, between social sector employers, unions and government.

The Third Sector Platform, created in early 2012, made up by 7 large Third Sector organizations and which includes a large part of the entities connected to Social Action and Intervention and People with Disabilities (The Social Action NGO Platform, The Spanish Volunteer Platform; PVE, EAPN Spain, Spanish Committee of Representatives of People with Disabilities, CERMI, Spanish Red Cross, Cáritas Spain and the National Spanish Organization of the Blind, ONCE) has this as one of its aims, the power to talk directly to the

government, although the Platform does not have the legal status of an employer's organization, nor does it include any from the sector.

In addition to this initiative we can mention different consulting committees in which specialized organizations take part.

Regarding the Elderly People and People with Disabilities the "Dependency System Consulting Committee" was set up, although the organizations which are part of it are of a general nature and at national level, CEOE and CEPYME.

In addition, registered in the Ministry of Health, Social Services and Equality, is the "Disability Patronage" (2012), a body which aims to:

- ◆ *"Promote the application of human ideals, scientific knowledge and technical improvements to the perfecting of public and private actions on disability in the areas of:*
 - *The prevention of deficiencies.*
 - *The disciplines and specialties related to the diagnosis, rehabilitation and social insertion.*
 - *Equaling opportunities.*
 - *Assistance and tutelage.*
- ◆ *Enabling, within the area defined in the above section, exchanges and cooperation among the different public administrations, as well as these with the private sector, both at a national and international level.*
- ◆ *Supporting bodies, entities, specialists and sponsors in the field of studies, research, information, documentation and training.*
- ◆ *Issuing technical reports and recommendations on the areas relevant to its field of work."*

At the Social Action level, and within the Ministry of Health, Social Services and Equality (2012) there is a "State Council of Non-Governmental Social action Organizations", divided into the following workgroups:

- ◆ *"Social Action Third Sector Strategic Plan (set up in three Commissions)*
 - *Commission for the Development of the Strategic Plan.*
 - *Quality Commission.*
 - *Communication Commission.*
- ◆ *Social Inclusion, Employment and Rural Group.*
- ◆ *Legislation and Financing Group.*
- ◆ *Gender and Equality Group.*
- ◆ *Volunteer work Group."*

Third Sector organizations are partly represented in this Council, but individually, not associated to the employer organizations to which they belong.

The main functions of these consultative councils are to improve the services provided to the people in these situations, as well as achieving visibility for

the groups which they assist. The will to make social dialogue extensive to other groups depends on the social agents that participate in the councils at this time.

Having reviewed social dialogue in Spain, with the definition of Social Dialogue previously put forth, we will now focus on collective bargaining within the Social Sector in Spain.

Social Dialogue understood as collective bargaining in the social services sector. Spain

Within the Social Services sector in Spain there are various collective bargaining processes taking place, or signed and into effect, in each of the areas previously mentioned.

Before going into the issue in question, and from the results obtained in our interviews, it is necessary to make a short reference to the recent reform to the Labour Market Law (Government, 2012, Official Gazette (BOE) 02/11/12) and the aspects which relate to collective bargaining.

Firstly, the labour reform states, regarding collective agreements, that it is possible to withdraw the terms of the agreement in effect, and fall back on the individual company collective agreement.

From now on the validity and application of the existing collective agreements at a national, autonomous and provincial level will depend on the individual entities, and according to key informants, we will have to wait and see how things develop, although they are all "optimistic" in the sense that General Collective Agreements will continue to be the basis of the sector's structure. Although a very clear threat is the introduction of mercantile competition in the sector:

"What does this reform do to the business side(...) introduces obvious competition between for-profit and not-for-profit organizations among all of the organizations in the sector, (...) and if competition is introduced we are ruining the most important part of this sector, which was not-for-profit and did not follow the rules of competition but those of social construction(...)"(informant 4)

Considering the Labour Reform, the negotiation which will be most sought after will be the one on a national level, for this report. However, the existing agreements, prior to the reform, as before, will be listed.

There is a regulation on collective bargaining as part of the Statute of Workers, with the adequate amendments, the last being from June 2011 (Government, 2011, Official Gazette (BOE) 06/11/2011)

The features of the agreements regarding the scope of applicability are set by the type of agreement:

- ◆ National, Autonomous, Provincial or Company

The agents in collective bargaining at the national, autonomous and provincial level, as well as those in different sectors and intersectorial agreements are:

- ◆ The most representative employers organizations in the Sector
- ◆ Most representative Unions

For company agreements, the actors in the negotiation are:

- ◆ Company
- ◆ Legal workers' representation

Regarding duration, the very agreement establishes the length, although it usually goes from two to three years.

Existing employer organizations in the social services sector.

As can be observed, there are as many employer organizations as there are employers signing the agreements. There are even organizations which are left out of the signing because they do not have representation.

List of Employer's Associations which have signed agreements or have the right to negotiate at a national level:

TABLE 10: EMPLOYERS' ORGANIZATIONS SIGNING COLLECTIVE AGREEMENTS

| SUBSECTOR | EMPLOYER | TYPE OF ENTITIES REPRESENTED | SUBSECTOR | EMPLOYER | TYPE OF ENTITIES REPRESENTED |
|--------------------------------------|----------|------------------------------|--------------------------------|----------------|------------------------------|
| Elderly People /Dependency | FED | For-profit | Infancy/Minors and Reform | FEPJJ | Not-for-profit |
| | LARES | Not-for-profit | | AEEISSS | Not-for-profit |
| | AESTE | For-profit | | AEFYME | Not-for-profit |
| People with Disabilities/ Dependency | AEDIS | Not-for-profit | | FAIS | For-profit |
| | FEACEM | For-profit | Social Action and Intervention | OEIS | Not-for-profit |
| | CONACEE | For-profit | | AEEISSS | Not-for-profit |
| | EyG | For-profit | | AESAP | For-profit |
| | CECE | For-profit | | FAIS | For-profit |
| | | | | APAES | Not-for-profit |
| | | | AEFYME | Not-for-profit | |

There are territorial associations which negotiate and sign autonomous and provincial agreements, most of them are part of national organizations or are in some way linked to them through federations.

Thus, the employers which have signed the existing Social Action and Intervention Agreements are:

TABLE 11: EMPLOYERS' ORGANIZATIONS SIGNING COLLECTIVE AGREEMENTS IN SOCIAL ACTION AND INTERVENTION, OTHER LEVELS.

| SOCIAL ACTION AND INTERVENTION | AUTONOMOUS CATALONIA | PROVINCIAL BIZKAIA | PROVINCIAL GIPUZKOA |
|--------------------------------|----------------------|--------------------|---------------------|
| | | AEISC | Gizardat |
| | AESAP | | |

It is relevant to mention these three Agreements, especially the Catalonia one, as they are the reference for the present negotiation of the national one.

Issues dealt with in collective bargaining

Obviously the issues to be dealt with in collective bargaining are labour ones; the following is a list of all of the issues dealt with in collective bargaining:

1. The organization of work.
2. Personnel structuring.
3. Hiring.
4. Trial period, vacancies and personnel termination.
5. Subrogation.
6. Retribution system.
7. Work day, overtime, vacations, recycling and on-going training.
8. Time off, permits and leaves.
9. Travel and diets.
10. Absences and sanctions.
11. Union rights.
12. Social improvements.
13. Safety, Hygiene and work-related illnesses.

Within these categories there are more detailed issues, which vary depending on the agreement and its scope.

For example, the Social Action and Intervention provincial agreements in the Basque Country make reference to linguistic normalization, a clause that does not appear in any other social sector agreement included in the present report.

Regarding the Elderly People/Dependency, there is a special mention made in the agreement to the preservation of employment and development of personal autonomy,(2008, BOE number 79, 04/01/2008, p.18254)

"Measures against age discrimination. The signing parties commit themselves to supporting access and preservation of employment to those over the age of 45"

Strengths and weaknesses of the existing agreements

The present section will deal with the strengths and weaknesses of the existing agreements in each of the subsectors of the report.

The data on the strengths and weaknesses has been obtained through the analysis of the in-depth interviews made to the key informants and stakeholders.

Elderly/Dependency:

The greatest strength in collective bargaining in this subsector would be: *"A collective agreement provides stability and provides a framework for actions which allows the organization to calculate costs."*(Informant 2)

The greatest weakness lies in the lack of flexibility within the bargaining itself, explained by the lack of trust on both sides.

In addition "*the for-profit position of mercantile companies, which do not blend in well in this area*" (Informant 2)

People with Disabilities/ Dependency

Within this subsector a strength in collective bargaining is "being a *social entity gives a vision of the collective agreement more favourable to the social that it was just business ... right?* " (informant 7)

Therefore all the the different subsectors, which dominate the non-profit entities, are similar in this way.

Social Action and Intervention:

The lack of a collective agreement to provide the sector with a global framework has given rise to the breakdown into small collective agreements, which is considered a weakness, and, at the same time, a strength, since this part of the sector is regulated, defined and the organizations and workers protected by the existence of a basic standard.

One weakness, at a national level, comes about by the relatively recent start of this type of negotiation with employers and an incipient knowledge of the sector on the part of the Unions which sign.

Social Action and Intervention Collective Bargaining Nationwide:

The Social Action and Intervention Sector has no agreement signed on a national level, which is, in itself, the greatest weakness, according to our key informants. The issues that would be strengthened with the signing of a collective agreement would be:

- ◆ A specific framework of the sector: with all of the organizations providing the foundations of a structure through which to go by.
- ◆ A definition of the social intervention sector which will bring about a delimiting of the scope and functions of social intervention.

An "a priori" strength would be the sector's own values.

The employers interviewed, representing not-for-profit and for-profit organizations, the approach to collective bargaining has the following features, depending on the type of employer:

1. Not-for-profit Organization employers:

- ◆ All agree in avoiding the atomization of the sector into subsectors, but differ in the territorial area in which to start:
 - i. From general to specific agreements: Starting with a national agreement and ending with specific ones.
 - ii. From specific agreements to general ones: Start with the small agreements, the smaller the better, because negotiations are more direct, in order to reach agreements at higher levels.

2. For-profit Organization employers:

- ◆ The priority is to provide the sector with a reference framework, regardless of the subsectors created, which are due to the existing regulations, and the territorial nature of the Agreement.

The predominant opinion at present is for the subsectorization of the sector and to start by Agreements with a lower territorial scope.

Analysis of the interviews with unions shows how one of the drawbacks they find for the signing of a National Collective Agreement is the difference in approach taken by the different employers when negotiating:

"Most of the problems we have faced when negotiating, because we the unions have not had any problem whatsoever, has been to get the employers to agree among themselves on their representativity." (Informant 5):

In addition to the present economic situation, this being a sector whose financing is largely dependent on public funds, which is reducing the funding. The union's approach to collective bargaining, in Social Action and Intervention, is to unify, not divide, the sector. This is also seen as the greatest strength. However, at the union level, in the different unions, social services are associated to different federations; so even in the union sense, the situation is complex.

Another strength they see is that organizations previously did not belong to an employer's organization (essential legal figure to sign a collective agreement) and now they are organizing themselves in employer's associations specific to the sector.

"the fact that here was an agreement made the existing institutions group together in employer's associations, which gave the sector some degree of organization, even if it was to challenge collective agreements." (Informant 5)

Regarding the territorial scope, the choice is from general, to specific.

It is a low-unionized sector, according to the unions because it is a young one, in comparison to others.

The analysis of the interviews to unions sees as a drawback, when signing a national collective agreement, the different approach to negotiating from the different employer's organizations in the sector.

It is confirmed through all of the interviews, that although everyone agrees in not subsectoring the sector, in some areas, such as Minors, it has been subdivided.

Autonomous and provincial levels

The main strength found in these collective agreements is the involvement of workers from the sector in the negotiations themselves, Specially in the provincial ones.

In addition, the Autonomous one (Catalonia) is being used as a reference in the negotiation of the national one.

The strength of the signed collective agreement, for the unions, lies in *"work conditions are regulated and dignified...for the workers in this sector where many...in other places are, I would say, at risk"* (Informant 3)

The main weakness is the expectancy generated by the new labour reform, regarding the application of the collective agreements to those who haven't signed them, the introduction of mercantile competition in the sector, and due to the fact that between 80 to 85 % of the expenses in these entities are for personnel, and employees can negotiate collective agreement downgrades for individual entities the services provided for these people might be compromised in terms of quality as in efficiency and effectiveness.

Existing agreements which cover part of the sector

Since the sector is so structured into subsectors there are no collective agreements which cover the whole of the sector. In fact the basic regulation covering the sector is the Labour Law exactly the same as the other sectors of economic activity. Listed in the following table Existing Agreements in the Sector, the main Collective Agreements for the sector:

| TABLE 12: EXISTING AGREEMENTS IN THE SECTOR | | | |
|---|---|-------------------|--|
| Subsector | Agreement name | Signing date | Validity |
| Elderly People/ Dependency | VI National Framework Agreement for Assistance Services to Dependent People and Development of the promotion of Personal Autonomy | 16/03/2012 | 01/01/2010 to 31/12/2013 |
| People with Disabilities/ Dependency | XIII Collective Agreement for Centres and Assistance Services to people with Disabilities | 23/06/2010 | 31/12/2010 The XIV is under negotiation |
| Social Action and Intervention | National Collective Agreement for Social Action and Intervention for the years 2012-2013* | Under negotiation | Under negotiation |
| | Catalonia (Autonomous): Collective Agreement for Social Action with children, youths, families and others at risk of exclusion | 23/09/2011 | 31/12/2012 |
| | Bizkaia (Provincial) | 10/07/2009 | 31/12/2011 |

| | | | |
|--|---|------------|-----------------------|
| | Collective Agreement for the Social Intervention Sector in Bizkaia | | Under negotiation |
| | Gipuzkoa(Provincial) Collective Agreement for Social Intervention in Gipuzkoa | 01/06/2011 | 31/12/2014 |
| Juvenile Reform and Protection of Minors | I National Collective Agreement for Juvenile Reform and Protection to Minors | 17/02/2010 | 31/12/2010 Challenged |

*Social Intervention and Development Cooperation

National:

For the Social Intervention collective agreement, at a national level, under negotiation at present, the negotiation process is being complex, as has been seen from the interviews with the stakeholders.

On the one side the negotiation has taken place within the sector employer's organizations, or at least those present at the negotiations, and more representative, according to the setting up act of the negotiation.

The employers involved in the negotiation are:

- ◆ OEIS, AEEISSS and AESAP, with a representation percentage, admitted by them of 27.5% of the sector each.
- ◆ FAIS and APAES: with a 7% admitted representation.
- ◆ AEFYME: with a 3.5%.

The data regarding the number of entities present and the number of employees they represent is not very clear, as admitted by the entities themselves. Therefore this is the most reliable data of representation available.

One of the reasons for the lack of information is, in fact, the lack of structure in the sector. This is the great strength this collective agreement provides, a set of common rules to follow.

3.1. Approach to the main labour issues in the social services sector.

Regarding the main labour issues or the most intense, in the negotiation, there are two main ones mentioned in all of the subsectors with whom we have talked:

- ◆ Salary.
- ◆ Work hours.

This are crucial points, both for the employers as for the unions, for opposite reasons, that is, employers want more hours for less pay and the unions want the opposite.

The work hours in this sector are peculiar; we are talking about assisting people 24 hours a day, so the work hours are divided into shifts.

At the same time there are significant differences, both in the salary and work schedules, depending on the territory one works in.

Unions want a national minimum, but, for some employer's organizations, this may lead to a loss in the rights of the collective agreements made in smaller territories, should the entity embrace the national one.

In addition, the difference between Autonomous Communities is a key factor in this issue, for example: the per capita income in the Autonomous Community of the Basque Country is 31,288 Euros whereas in Extremadura it is 16,149 Euros.

In addition to these “to be expected” issues, other factors are mentioned:

- ◆ Subrogation.
- ◆ Temporary Disability or Sick Leave (absenteeism)

Subrogation

The legal definition of subrogation is “putting something or someone in the place occupied by another”¹⁰⁰, for the purposes of this report the “thing” would be the entity which provides the service, but keeping all or part of the employees, according to the Labour Law, the existing collective agreement or the details of the contract or bid for tenders or subvention.

The reason for Subrogation, mentioned by the union members interviewed, is to provide workers with stability, in an event they have no control over.

The main objection of the employers to this is that the intervention model chosen by each organization may differ, depending on the organization, therefore affecting the service provided, in addition to the investment required to have the workers adapt to their model.

Another point of disagreement between employers and unions regarding subrogation is primarily economic, very related to the organization in question, and whether it is for-profit or not-for-profit.

The current collectives bargaining stand for:

Elderly People/ Dependency

All workers shall be subrogated, regardless of the type of contract they have, with a seniority of at least three months in the company that leaves.

People with Disabilities/Dependency

Subrogation clause in the Labour Law, section 2 Guarantees due to a change in company, article 44.

Social Action and Intervention

Juvenile Reform and Protection of Minors

All workers shall be subrogated, regardless of the type of contract, with seniority of at least six months in the company that leaves.

Social Action and Intervention

Autonomous: Catalonia

Subrogation of all workers

Provincial: Bizkaia and Gipuzkoa

All steady workers

Gipuzkoa: all steady workers except partners, people in management positions and others who may represent the company.

Educational Leisure and Sociocultural animation:

Generally speaking all of the mentioned collective agreements have a 100% subrogation of steady workers, except management.

¹⁰⁰ Tranlated from <http://lexjuridica.com/diccionario.php>

Temporary disability

Temporary disability is another of the issues stemming from the analysis of the interviews, and is directly related to the salary perceived by workers at the time of a temporary disability or sick leave, since the State pays for part of this leave the collective agreements establish the percentage the company or the entity must cover.

Temporary disability is regulated by the General Social Security Law, with a minimum guarantee, that if not improved by the collective agreement, is usually not even mentioned.

Therefore, in national collective agreements the situation would be illustrated in the following table:

| TABLE 13: TEMPORARY DISABILITY | | | | | | |
|--|-----------------------------------|------|---|------|---------------------------------------|------|
| | Elderly People/ Dependency | | People with Disabilities/ Dependency | | Social Action and Intervention | |
| | % salary | Days | % salary | Days | % salary | Days |
| Work accident or work-related illness | 100 | 21 | 100 | Full | 100 | Full |
| Non-work accident or common illness | | | 100 | 30 | 60% | 4-21 |

Conciliation and social benefits are considered a plus to compensate the not very high salaries in the sector.

Issues that would be better addressed at EU level

When discussing which issues would be better addressed at a European level, it is worth mentioning that none of the employers' organizations have European links of any kind, and that at an internal level in the employer's organizations it is something which has not even been discussed, since the priority is to provide a structure to the sector at a national level, above all in Social Action and Intervention.

Therefore the replies received in this area are of an individual nature, as experts in negotiations and not as representatives of their employers' organizations.

The issues arising from the interviews are:

- ◆ Maximum work hours
- ◆ Maternity/Paternity leave

Stemming from a very sceptical position, there would be an interest in the fostering of a dialogue among employers' organizations in the sector at a European level, starting from the recognition of the sector as such at an institutional level. Especially in the Social Action and Intervention Sector.

We must point that The FED (Federation of Assistance to Dependencies) is associated to E.C.H.O. (European Confederation of Care Home Organizations)

However if we mention specific legislation for all of the member countries, more specifically issues related to VAT, which in the case of the major not-for-profit organizations in the social Action and Intervention Sector are exempt from charging it but do support it.

Another issue which can come from EU is that of developing a model of "European Social Institution." Applying this from Europe "with intensity of non-discrimination legislation" (Informant 7), will mean progress in this area, especially in the sense of actions that result in non-discriminatory.

Unions do have European level structures, but for them, any initiative should arise from the European Union and be financed by it. They feel that the ones that exist at present, since they are recommendations, are not very effective.

Another issue to safeguard activity, regulate it, in agreement with employers' organizations: recognition of the sector

The unions see the "ideal" legal measures to be taken by the European Union:

- ◆ 35-hour work week
- ◆ Subrogation of all workers in all of the Public Services that are outsourced

4. Agreements in Social Dialogue/Collective Bargaining.

This section attempts to address the following issues:

Organizations which sign the agreements, issues covered, duration, when they have to be reviewed and the main terms included in the Agreements.

As previously mentioned, regarding social dialogue specific to the sector, we can only refer to Consulting Committees which focus on issues of the groups which they assist, so we will focus on Collective Bargaining and the Agreements signed or in the process of signing.

In this way, the issues dealt with as the main terms used in the Agreements, are given by the very nature of the collective bargaining and its formal structure, which is regulated.

With the other issues and for a more overall view we have drawn up the following table:

| TABLE 14: COLLECTIVE AGREEMENTS | | | | |
|---|---|---------------|----------------------|----------------------------------|
| SUBSECTOR | AGREEMENT | ORGANIZATIONS | DURATION IN YEARS | REVIEW |
| Elderly People/ Dependency | VI National Framework Agreement for Assistance Services to Dependent People and Development of the promotion of Personal Autonomy | FED | 2012-2013 | 2013-2014 |
| | | LARES | | |
| | | AESTE | | |
| People with Disabilities/ Dependency | XIII Collective Agreement for Centres and Assistance Services to people with Disabilities | AEDIS | 2010 with extensions | Under negotiation |
| | | FEACEM | | |
| | | CONACEE | | |
| | | EyG | | |
| Infancy/Minors and Reform | I National Collective agreement for Juvenile Reform and Protection to | FEPJJ | 2010 with extensions | Challenged and under negotiation |
| | | AEISSS | | |
| | | AEFYME | | |
| | | FAIS | | |

| | | | | |
|--------------------------------------|--|---------|----------------------|--------------------------|
| | Minors | | | |
| Social Action and Intervention | I National General Agreement for the Social intervention Sector | OEIS | Under negotiation | Under negotiati on |
| | | AEEISSS | | |
| | | AESAP | | |
| | | FAIS | | |
| | | APAES | | |
| | | AEFYME | | |

5. Conclusions.

Overall, the Social Services sector encompasses some 10,000 entities, for-profit and not-for-profit, and employs over 400,000 people in Spain. It assists over 1,000,000 people with needs of different nature and is 1.17% of Spain's GDP, and rising.

- ◆ Strengths:
 - *The structure of the Elderly People and People with Disabilities sectors.*
 - *Social Action and Intervention. The will by all parts, employers and unions to structure the sector within a legal framework to protect the entities as well as their workers.*
 - *The culture of participation and consensus among the not-for-profit sector organizations.*

- ◆ Weaknesses
 - *Division of the sector into subsectors or microsectors due to specific legislation.*
 - *The absence, for the time being, of speakers and interlocutors common to the State and the not-for-profit organizations in the Social Intervention Sector.*

- ◆ Opportunities
 - *The structuring of the Social Action and Intervention Third Sector, providing it with institutional visibility.*

- ◆ Threats
 - *The uncertainty in the current economic situation and the recent Labour Reform.*

Issues to be dealt with at a European Union level:

- ◆ Through Collective Bargaining:
 - *Maximum work hours*
 - *Maternity/paternity leave*

- ◆ Through legislation:
 - *A defining of the sector at EU level*
 - *"European Social Organization Status."*
 - *Active policies regarding taxes. Especially VAT.*
 - *Specific policies regarding work laws.*

Annexes

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Annex II. List of the Social Dialogue Agreements in Spain: 2004-2011

Social Dialogue agreements¹⁰¹, in the Labour sense of it, ranging from 2004-2007:

- ◆ Regularising of illegal immigration.
- ◆ Trade learning for work.
- ◆ The increase of minimum wage.
- ◆ Regulating self-employment
- ◆ Out-of court settlement of collective conflicts.
- ◆ The updating of minimum pensions.
- ◆ Strategic plan for work safety and health.
- ◆ Measures pertaining to Social Security.
- ◆ Agreement for the Improvement of Growth and Employment. (AMCE).
- ◆ Protective actions for dependency situations.
- ◆ Gender equality.

From 2008 to 2011, the social dialogue agreements reached have been varied, following is a list of them¹⁰²:

- ◆ Agreement among the Comisiones Obreras Union Confederation, CCOO, the General Worker's Union (UGT) and the Spanish Government for the inclusion in the general regime of social security of the domestic help.
- ◆ Economic and Social Agreement for growth, employment and the guaranteeing of pensions.
- ◆ Agreements signed by the General Board for Social Dialogue in Galicia, 30 July 2010.
 1. Agreements pertaining to active employment policies.
 2. Agreements pertaining to the prevention of work hazards.
 3. Agreements pertaining to improvements in business competition.
 4. Agreements pertaining to infrastructures and sustainable growth.
 5. Agreements regarding social cohesion and welfare.
- ◆ Pact for the Fostering of Employment in Murcia.
- ◆ II Framework Agreement for Industrial Competitiveness and Innovation in Castilla y León.
- ◆ 30 Commitments for Social Employment, Economy and Unemployment in Catalonia.
- ◆ VII Agreement for Social Harmonization in Andalucía.

¹⁰¹ Agreements and Social Dialogue in Spain: 1977-2007, Journal of the Ministry of Labour and Immigration, Issue 81, September 2009. Studies. Author: José Ignacio Pérez Infante

¹⁰² List obtained from the Comisiones Obreras website:http://www.ccoo.es/cscceo/menu.do?Areas:Accion_Sindical:Dialogo-social

- ◆ Government-Union Agreement for Public Service in the Framework of Social Dialogue 2010–2012.
- ◆ PACT FOR CASTILLA-LA MANCHA. Unity, Efforts and Commitment.
- ◆ Union Proposals towards an Agreement for employment and social protection.
- ◆ Declaration for the Launching of the Economy, Employment, Competitiveness and Social Progress.

Annex III. List of Informants/Stakeholders/Collaborators

List of the Project's Informants/Stakeholders and Collaborators

| ENTITY | INFORMANT/STAKEHOLDERS/ COLLABORATORS | SUBSECTOR / AGENT | POST |
|------------------|--|--|--|
| OEIS | Fernando Urgoiti Guijarro (Cruz Roja), | AIS / Employers' Organization | Legal Advisor |
| FAIS | Carlos Cortés | AIS / Employers' Organization | Collective Bargaining |
| CCOO | José Luis Rodríguez García | All/Unions | Secretary of Social Action and Collective Bargaining |
| AEEISS | Gonzalo Rodríguez Aguirregoitia (AEEISS - Gizardatz) | AIS / Employers' Organization | Secretary |
| LARES | Antonio Molina | Elderly People/ Dependency / Employers' Organization | Legal Advisor |
| UGT | María del Carmen Barrera | All / Unions | Secretary of Social Action |
| CERMI | Luis Cayo | People with Disabilities / Organizations | President |
| Cáritas Española | Víctor Renes | Social Sector Expert | Volunteer |
| Fundación ONCE | Rafael de Lorenzo | General Board | Secretary General |

National Report Ireland



DISABILITY FEDERATION OF
IRELAND
DR PAULINE CONROYMAIRE
MEAGHER M.SC..



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1. Summary of Findings PESSIS 2012 – Ireland

1.1. Background

The project, a preliminary mapping study of the extent of social dialogue in three social service areas, is funded by the Industrial Relations and Social Dialogue Programme of the European Commission and co-ordinated by the University of Greenwich, UK. It is supported by a broad partnership of European and National organisations representing health and social service providers in close cooperation with the European Trade Union Confederation. It is expected that the project will contribute towards enhanced cooperation within the sector and the promotion of a culture of inclusive social dialogue at national and European level.¹⁰³

The study focus in the eleven countries was on three sub-sectors of social services: services for children aged five or less, services for the long-term care of the elderly and services for and with people with disabilities. In each country, researchers conducted interviews and examined literature, data and reports including those of the not-for-profit, for profit and public sectors. In Ireland, 25 interviews were conducted between February and April 2012. The idea of a social services sector promoting social dialogue was received with interest and curiosity in Ireland among employers, employer bodies, trade unions and civil society representatives. Some of the principal findings of the study are presented below.

1.2. What are Social Services?

- The concept of 'social services' as a single and comprehensive sector is not in wide usage in Ireland. Most interviewees listed several types or categories of health or social services. Some saw value in using a more 'sectoral' approach to social services.

¹⁰³ PESSIS Project Description Brussels, 2012.

- There are considerable data gaps when it comes to measuring social services. The gaps are significant in the myriad of small, micro, medium-sized and community-based organisations which slip through the counting net and whose representatives, as a consequence, are less visible.
- The estimated value of the three sub-sectors of social services is €5.2 billion, making social services a significant component of the Irish economy.

1.3. Are social service employers significant?

- Social services in the study sub-sectors employ or engage an estimated 165,000 people. This is more than the employment in all Industrial Development Authority supported overseas companies in Ireland (2010), and considerably more than the construction industry at December 2011.
- Several studies in the not-for-profit sector reveal large numbers of small-scale employers. Some of these are in the community, social and family economies. In addition to employment, many thousands of volunteers accompany or supplement paid employment.
- The family or household is a growing and understudied location of service provision via independent living, assisted living, home care services, childminding, nurseries, infant palliative care and foster care. The move to person-centred and individualised services will change the configuration of many social services.

1.4. What about social dialogue?

- A considerable number of public sector employees and employees of larger not-for-profit bodies delivering services under statute on behalf of the State are covered by single centralized collective agreements – *Towards 2016* (Department of the Taoiseach, 2006) and the *Croke Park Agreement* (Department of Public Expenditure and Reform, 2010).

- The study identified several bodies representing employer's perspectives, some of whom engage in representative collective bargaining: These were
 - IBEC –Irish Business and Employer Confederation
 - National Federation of Voluntary Bodies –62 member organisations
 - Community Sector Employers Forum
 - Not-for-Profit Business Association
- Some representative bodies, such as the Disability Federation of Ireland – 127 member/associate members, are focussed on achieving better outcomes for end users through supports to their membership. The employer/employee structures vary across DFI's member organisations.
- Civil dialogue alongside or adjacent to social dialogue is regarded as important by not-for-profit, voluntary, and community based organisations.

1.5. Is unionisation high in social services?

- The trade union density rate is 34% in Ireland. This encompasses an estimated rate of 70%-90% in not-for-profit service providers under the Health Act, 2004, in public Home Help, public Nursing Homes and child protection services. In private childcare, private nursing homes and medium to small voluntary bodies, the rate is very low, not known or not unionised.
- However, large swathes of organisations reported being outside the 'loop' and do not see themselves represented at the social dialogue table.
- The unions involved in the sub-sectors of social services are IMPACT, The Irish Nurses and Midwives Organisation (INMO) and SIPTU and to some extent UNITE.

1.6. Are there emerging issues?

- There are concerns for the future of social services according to many interviewees. These are issues such as accelerated privatization of services, pressures on professionalization or deskilling at the lower end of the occupational spectrum and maintaining service standards and quality within a social model of services.
- Being of service to people as opposed to being a provider or developing a wider view of where social services should be going, were themes which emerged in some discussions.
- Social and civil dialogue should be more sharply differentiated from social partnership according to some employers so that dialogue can proceed even where no clear partnership outcome is envisaged.
- Organisations within the three sectors whose employer/employee arrangements are not contained in the over-arching structures may nonetheless be affected by the negotiated terms and conditions. However the impact on the effectiveness and efficiency of their services is not known

2. Promoting Employers Social Services in Social Dialogue

Final Report

2.1. Introduction

2.1.1 Launch of the project PESSIS in Ireland

Ireland is one of 11 countries which engaged with the PESSIS project to undertake a mapping of the social dialogue in the sphere of social services in January 2012. The project is primarily funded by the Social Dialogue Unit of the Employment and Social Affairs Directorate of the European Commission. The Disability Federation of Ireland (DFI) is the host partner to the project in

Ireland. Following a competitive tendering process, the DFI invited Dr Pauline Conroy and colleague Maire Meagher to undertake the social dialogue mapping exercise for Ireland. The mapping is coordinated for PESSIS by Jane Lethbridge of the University of Greenwich in the UK.

2.1.2 Research method

The study was conducted over a seven week period from the 13.02.2012 to 10.04.2012.

This exploratory study has three components:

- Delineating the scope of the study in the sub-sector domains of care provision for the elderly, for children under five years and for persons with disability, embracing the public, private and not-for-profit sectors. Identifying organisations and the key person therein for contact.
- Interviews with key actors among employers, trade unions and social service providers or advisors and experts. Twenty five interviews were undertaken face-to-face and by telephone from a list compiled by the researchers in conjunction with DFI and Public Service International – an EU partner to the project. Handwritten notes were taken of the interviews. A summary of the findings was circulated to the interviewees for feedback prior to finalising the report.
- Desk analysis of industrial relations and partnership in Ireland as it pertains to social services, estimation of the monetary value of the sector, the content of dialogue and issues arising for the future.
- The study focussed on three sub-sets of social services which were selected for the eleven countries and which would permit comparisons on a relatively transparent basis. The sub-sets represent the principal services over a person's lifetime:
 - Long-term care for older persons
 - Services for people with disabilities
 - Services for children of five years and less outside education

In the case of Ireland the sub-sets of social services were measured using the following indicators:

Chart 1 Indicators of sub-sets of social services

| Sub-set of social service | Indicators |
|---------------------------------------|---|
| Long-term care for older persons | Nursing Home residences |
| | Home-care such as Home Helps/Elder Care |
| | Remunerated carers |
| Services for people with disabilities | Day, residential and support services for/with people with disabilities |
| | Mental Health services |
| Children aged 5 years and under | Child Welfare services including foster care |
| | Child care services in nurseries/centres |
| | Child care services in form of childminding |
| | Remunerated care for children with disability in the home |

2.1.3 The data

Data on 'social services' in Ireland is highly fragmented across a range of public bodies, private agencies, academic institutions, not-for-profit services and small-scale local community and voluntary organisations which can be funded by public or other not-for-profit bodies in Ireland or from overseas. Given the small size of the country, data is frequently aggregated at a very general and high level. Data sets do not always contain what their title depicts. Studies of services for people with disabilities frequently exclude those with mental health difficulties or expenditure on services may include supports to capital funding in housing. The fragmentation carries a risk of double counting.

Apart from the fragmentation of data, there are also large gaps in the data. The public reporting of staff numbers in the form of Whole-Time-Equivalents means that it is difficult to know how many actual staff are on a payroll since many part-timers are subsumed into equivalent full-time jobs. The public reporting of people with disabilities over the age of 65 years as in 'older'

people categories frequently renders disability invisible after the age of 65 years. As a consequence, the study does not provide a comprehensive set of data.

2.1.4 Reception of the project in Ireland

The study was on the whole well and generously received in Ireland. Participants in the interviews spoke frankly and provided their time, knowledge, analysis, information, refreshments and documentation to the project and expressed interest in knowing of the PESSIS outcomes at national and European level. The discussion topics of the interviews were often observed to be interesting and different in an Irish context.

The reception was the more remarkable in that Ireland's social and public services are operating under the *Financial Emergency Measures in the Public Interest Act, 2009* and *2010*. This required substantial cuts in salaries, pensions and funding for private, public and not-for-profit services in accordance with the conditions established with the European Central Bank, International Monetary Fund and European Commission.

2.1.5 What are social services?

Social services are not a widely used term in Ireland and many interviewees were perplexed by being asked to 'define' social services. While social services certainly exist they are, for historical reasons, dispersed across a wide range of Departments of Government¹⁰⁴: Health, Education, Social Protection, and Justice. As such there is little popular perception of a set of clearly defined 'social services.' Local Government does not deliver social services such as education or personal social services. Combined with dispersion in delivery, there is considerable centralisation of control, planning and development.

¹⁰⁴ A Department is the word used in Ireland for a Ministry.

Since the Health Act of 1970, a large number of personal services for children, the frail elderly and people with disabilities have been supported and delivered via the Department of Health along a somewhat medical model involving social assessment, diagnosis and social response. The Health Act, 2004 reaffirmed this approach. Section 38 of the Act allows the State to fund not-for-profit bodies both secular and faith-based - to provide services on behalf of the State. This confers on these charitable bodies the status of public sector bodies in terms of industrial relations, collective bargaining and pensions. Section 39 of the Act allows the State to fund other charitable or voluntary bodies at its discretion without conferring on them the status of public sector bodies.

The delivery of social services varies quite significantly in terms of whether the delivery and employers are predominantly in the private, public or not-for-profit sector. An increasing number of long stay residential places for the elderly are in private nursing homes. Care for the elderly at home is provided by public, private and not-for-profit bodies. In the future private bodies are likely to have a larger share of this social service 'market.' Delivery of disability services is mixed with all types of provider involved.

2.1.6 The structure and size of social services

Social services in Ireland can be divided into three overlapping segments: the public sector which includes private bodies delivering services on behalf of the State, the private sector, from whom the State also buys or outsources services and the voluntary, community and not-for-profit segment. The balance or strength of each segment varies considerably between different sub-sectors of social services. Given the size of the country, regional considerations play a minimal role in some public services. This is not the case in disability services. Behind the highly localised appearance of social services at the point of consumption, decision making is in fact quite centralised.

Using employment size as a measure of scale, the majority of social services in Ireland are delivered through small or micro units. For example the Disability Federation of Ireland found that the size of 67 of its member organisations in 2009 was predominantly small. Some 36% had 6-25 staff

and 33% had 0 to 5 staff (DFI, 2009, Table 3). A similar size pattern has been identified in other studies (Dublin Employment Pact, 2011). A very large proportion of bodies in a recent study of the not-for-profit sector of social services are in fact small scale with 41% having ten employees or less and 35% having no employees at all indicating that they are operating on a volunteer basis only outside of social dialogue (Irish Not-For-Profit, 2011) (see Table A2.2 Appendix 2). Those 463 non-profit bodies in social services with no employees suggest that a large number are operating with volunteers only.

The scale and approximate structure of social services in the three sub-sectors are indicated in Chart 2 below.

Chart 2 Employer scale in sub-sectors of social services

| | Children aged 5 and under | Elderly –long-term care | People with disabilities |
|----------------|---|---|---|
| Public | With growing birth rate, ever larger school place demand but rising class size | State is largest supplier of in-home care with 5,276 employees (2007) | Most mental health services and community mental health teams |
| Private | Mixture of minority of corporate day care (ex:19 creches) and myriad of (3,000) micro-size play schools and tens of thousands of individual childminders. Some private children’s homes for children in care and for child palliative care. | About 25% of employers in nursing homes have 60+ employees 68% of nursing home beds in private sector. | Some home care and small number of private psychiatric hospitals |
| Not-for-profit | Small community nurseries employing less than 10 persons Childminders with three or more children other than their own | Unknown number of voluntary and community based groups as well as voluntary faith-based organisations at parish level | 20-40 Large scale employers of 1,000 employees or more under Health Act, 2004 and several hundred small and micro sized organisations at national and local level |

Sources: PA Consulting Group (2009) *Analysis of Irish Home Care Market*, Irish Private Home Care Association (IPHCA) February. NHI (2010) *Annual Private Nursing Home Survey*, NHI. PESSIS interviews 2012.

Chart 2 above illustrates the complexity of mapping within the social services sector and the fragmentation of delivery which varies by sub-sector and by whether the service is public, private or not-for-profit.

2.1.7 Estimating the value of social services

There is considerable movement between public/ private/ and not-for-profit bodies, a part of which is due to current austerity measures and a part of which is due to a rearrangement of the mixed economy of welfare in Ireland, the main features of which are a system of funding and provision from private, public and not-for profit-sources.

A number of attempts have been made in recent times to put a value on social services in the voluntary/local sector (ICTU, 2012), or in the form of surveys in the disability services sector (DFI, 2009) or the wider not-for-profit sector using company reporting (Not-For-Profit, 2011). Each approach has its own specific advantage. Table 1 below provides an estimate of the value of social services in the three sub sectors of social services using several sources: such as Service Plans, Government Audit, Parliament Votes, Private Consultancy Reports, Non-Profit bodies and interviews. A number of social services which previously were provided free or in a different format, have started charging service users since 2008. An example of a new charge is a nightly charge for Respite Care usage. Some services have shrunk the number of hours available for home care to the elderly or Personal Assistant hours for independent living. Some services have new subsidies such as the early childhood education year before school begins. These changes at the point of service consumption make the mapping of service value a complex process.

Table 1 Estimate of approximate value of three subsectors of social services - Ireland*

| Sub Sector | Service Area | Amount € mill | Totals €million | Source |
|----------------------------------|---|------------------|--------------------|---|
| Children's services – age 5 ** | Child protection/Welfare | 547 *** | | HSE Service Plan 2012 |
| | Childcare | 232 | | Comptroller and Auditor General (2011) 2010 data |
| | | | 779 | |
| Long term care for older persons | Nursing Homes | 1,041 | | C&AG 2010-11, Nursing Homes Ireland 2011,(3)3 |
| | Home Helps/Care | 340.27 | | PA Consulting, 2009 |
| | | | 1,381.27 | |
| Disability Services | | | | |
| | Public and Not for Profit | 1,454 | | HSE Service Plan 2012, HSE Non-Capital Voted Expenditure (Table 6.2) 2010 |
| | Mental Health | 963 | | HSE Non-Capital Voted Expenditure (Table 6.2) 2010 |
| | | | 2,348.9 | |
| | Carers in the home, in receipt of Carers and Domiciliary Allowance and Foster Care payments | 690.5 | | Department of Social Protection 2011 Foster Care Ireland 2011 |
| Total | | | €4,509.171 | |

* Read with caution, measurements and years differ by sub-heading **
Excludes children at school

In 2004 €877 million of public funds went to not-for-profit disability services (Comptroller and Auditor General, No.52, Fig.A1).

***Alternative estimates were €555 or €633 mill in 2010.

In compiling Table 1, the cost of 4-5 year old children being at school was excluded. Strictly speaking, the provision of welfare services to children under five years at school should be included, but the data breakdown by age was not available at the National Education Welfare Board. About 3,000 children aged five or less with disabilities are presented for assessment of need each year. Supports to young children with disabilities in school should also be calculated but such a breakdown by age is not available. While a minority of about 5% of older persons are in nursing homes, long-stay care for the elderly outside their homes consumes a much larger share of expenditure than care in their own homes.

Not-for-profit and voluntary bodies typically receive income from a wide variety of sources. These may include public and private grants, corporate donations, fundraising, membership fees, tax relief, donations, legacies and bequests, income from deposits in the banks and unpaid volunteer labour. Good information on expenditure and staffing are still hard to obtain.

A minimum estimate of expenditure in social services in the three sub-sectors of social services is €4,509 billion. This €4.5 billion is an estimate since it combines expenditure planned, expenditure voted, and expenditure drawn down and expended. Using this conservative and very skeleton estimate, it can be stated that the scale of value of social services are an important component of the Irish economy.

Table 2 estimates the total numbers employed in the three social service sub sectors. It has not been possible to provide a breakdown by ethnicity, gender, part-time status or age.

Table 2 Estimate of employees and numbers engaged in sub sectors of social services*

| Sub Sector | Employer | Totals | Year | Source |
|---------------------|----------------------------------|---------|------|---|
| Childrens services | Public | 3,118 | 2011 | Health Service Executive Service Plan 2012 |
| | Nurseries | 21,226 | 2009 | Department of Education and Skills, Study 2009, p.21 |
| | Health/social care professionals | 9,645 | 2010 | Department of Health and Children Health Statistics 2011 |
| Long term care | Nursing Homes | 30,000 | 2011 | Nursing Homes Ireland data |
| | Home Helps | 9,620 | 2011 | SIPTU |
| | Paid carers in home | 50,577 | 2010 | Department of Social Protection CSO |
| Disability Services | | | | |
| | Public and Not For Profit | 16,333 | 2009 | NDA (2010) Table 6 Public Sector bodies on behalf of State. |
| | Mental Health | 9,207 | 2011 | HSE Service Plan 2012 |
| Total | | 149,726 | | |

* Read with caution, measurements and years differ by sub heading

The calculations yield a conservative estimate of 149,726 employees and persons engaged (non employees but paid). This total is more than the employment in all Industrial Development Authority supported overseas companies in Ireland (2010), and considerably more than the construction industry at December 2011.

2.2 The PESSIS Sub-Sector Long-term Care for older persons

Services in the field of care of the elderly or older persons can be measured by two sets of information:

- Information on long-term residential care places in nursing homes
- Information on day support services to older people in their own homes

Both of these service segments are undergoing rapid restructuring. Care in public nursing homes is declining and care in private nursing homes is increasing. A new system of funding has been developed since 2011 involving the funding of nursing home beds. This involves both a needs assessment of the older person and a means test of their capacity to pay. This assessment generates an individual subsidy/subvention to their care/or not – depending on the outcome. The subsidy may be less than the costs of the place in the nursing home. A subsidy involves the transfer of most of the person's State pension back to the State, and in some instances a charge (lien) is placed against their house (if any) which is recouped on their death. Where there is still a payment gap, relatives make a weekly or monthly contribution.

2.2.1 Home Help –Supports to Older Persons in their Homes

The majority of older persons in need of some or substantial amounts of care live in their own homes. However the greater part of the long-term care budget goes to residential nursing home care, the cost of which comes to €1,041 billion according to the Government Auditors. About one in five nursing home places are in public facilities and a number of these are in the process of being closed down (2012).

The majority of home helps are part-time and a majority - 90% are in public employment by the Health Service Executive. A majority are members of SIPU and a few of IMPACT. The estimated cost of this service is €340 million a year.

This is a rapidly changing service. The 'home care market' now contains a significant number of private firms offering 'home care' either directly and privately to individuals or under public procurement to the State. This is both a controversial and sensitive subject. It has significant cross over with

services to people with disabilities who also use a range of frequently trained Personal Assistants in order to lead more independent lives or to have independent living.

Table 3 Market composition of Home Care Provision

| Public - Health Service Executive | Non-Profit | Private | Informal | Grey/Casual market |
|--|---|---------------|--|--------------------|
| Home helps , nursing, multi disciplinary | | | 161,000 carers | |
| 5,276 home helps Whole time equivalents 2007 | 41 non-profit providers in receipt of Section 38 grants | 128 providers | 35,000 full time/part time under Department of Social Protection | unknown |
| | | | +27,000 get respite | |
| | | | Carers Assoc €2.1 billion | |

Source: Extracted from PA Consulting 2009

The home care 'market' of services has a considerable number of private providers present (Table 3). A restructuring in favour of private service providers functioning as a form of intermediary agency placing people in homes could cause displacement of staff from both the public and not-for-profit sectors. It would also displace a cohort of trade unionised employees into a less or not-unionised environment where they might be asked to work under different conditions, such as 'on call' as 'self-employed' or as part-time unemployed.

Table 4 Share of value of the market by provider of Home Care, Ireland

| | HSE Public € million | | Private €million | Value € million |
|-------------|-------------------------|-----------------------|---------------------|--------------------|
| | Home Help | Home Care packages | | |
| HSE-Public | 162.47 | 75.48 | | 237.95 |
| Non Profit | 48.53 | 30.62 | | 79.15 |
| Private | | 13.9 | 9.27 | 23.17 |
| | | | | |
| Total | 211.0 | 120.0 | 9.27 | |
| | | | | |
| Grand Total | €340.27 million | | | |

Source: PA Consulting 2009, p.15

The opening up of the home care market through Public Procurement has raised questions over quality and the survival of some organisations competing with international care chains. There is a worry that some of the costs of employment currently carried by employers, such as FETAC accredited training, might be transferred to employees and in this fashion competition becomes an issue.

2.3 PESSIS Sub-sector - Social Services for people with disabilities

Expenditure on services for people with disabilities from public services amounts to an estimated 2.3 billion in 2011. This expenditure does not (paradoxically) usually include persons with disabilities over the age of 65 years. Table 5 includes expenditure on mental health services the vast majority of which are public or are provided by not-for-profit bodies on behalf of the State. Expenditure does not usually include all services for those using services for drug, alcohol and other substance abuse.

Table 5 Expenditure by Public Services on disability and mental health services

2011 by State

| | 2010 € | 2011 Estimated € |
|--|-------------|---------------------|
| Care for persons with disabilities under the age of 66 years | 1.5 bill. | 1.4 bill. |
| Mental Health | 963mill. | 920 mill. |
| Total | 2,463 bill. | 2,320 bill. |

Source: Department of Health – Health Expenditure Statistics 2011, Table L1, Non-Capital Voted Public Health Expenditure, Report of Disability Policy Review – Final Report, Department of Health and Children (2011) pp 25-27.

Between 2010 and 2011 the amount of expenditure on services for people with disabilities fell. However Table 4 only tells part of the story. A significant volume of funding has to be raised outside of the public purse from a shrinking pool of resources by non-profit, voluntary and community based organisations. With the onset of the 2008 financial crisis, some organisations have had to leave vacancies unfilled when staff depart, freeze development of existing services, delay new service programmes, delay projects and/or, reduce hours of Personal Assistants (DFI, 2009, Chart 11).

A myriad of services are provided in 2,500 locations which may be subsidiaries of national organisations, locally based services or be highly specialist services in just a few locations. The majority of services for people with intellectual disabilities are provided by not-for-profit service providers, some of whom are members of the National Federation of Voluntary Bodies, the Not-For-Profit Business Association, and/or the Disability Federation of Ireland. There are, for example, about 30 services providing respite care in 300 locations. Day services are offered in about 200 public locations and 800 not-for-profit locations (Comhairle, 2012)

Employment in this sub sector includes a wide range of rehabilitation professions, social care graduates, health care assistants, general and specialised nurses, Personal Assistants, administrative staff and co-ordinators, team leaders and management. Employment in smaller organisations can involve a single person holding several roles simultaneously.

2.4 PESSIS Sub sector -services to children aged five years and under

The compulsory age for starting school in Ireland is six years old. It has long been the practice of parents to enrol their children at four years old in what are called 'infants classes' in primary schools. Typically children spend a year in Junior infants class and a year in Senior infants before entering first class at the age of five to six years old. As a consequence the main focus of childcare provision is on children aged 0 to four years (Appendix 2 Table A2 5). However, since younger children come out of school at or after lunch time, they may then transfer to an after-school or play centre until a parent returns from work. Childcare services now include a one-year programme of pre-school supported by the Department of Education.

Table 6 Selected occupations in Children's Services Employment 2006

| | Year | Numbers | Of which Female |
|----------------------------------|------|---------|-----------------|
| Childcare, nurseries, playgroups | 2006 | 17,342 | 97% |
| Education Assistants | 2006 | 9,512 | 96% |

Source: Census of the Population 2006, Volume 8 Occupations Table 8

Public, private and not-for-profit providers deliver a huge range and diversity of formal childcare services which number almost 5,000. They differ from each other in pedagogy (Montessori) in language (Irish speaking) and in goal (minding, pre-school, play groups) staffing and quality of premises. Besides the diversity of provision, the State has intervened in the sector with many

and complex systems of support, subvention and subsidy, funded by a variety of sources (EU investment) and under a range of programme headings. A considerable capital investment in childcare was supported by the EU to facilitate increases in the labour force participation of women up to a target figure.

The childcare sector itself employs about 30,000 persons – a majority are women (Table 6). Census 2011 Volume on occupations will provide more detail on occupations when it is published in 2013-14. About 30% of children aged 0-2years are enrolled in childcare and early childhood education in Ireland (OECD, 2011).

Table 7 Actual expenditure on Selected State Support to Childcare programmes
(outside education system) 2010 delivered by private, public and not-for-profit

| Programme | € million 2010-2011 |
|---|---------------------|
| Childcare Education and Training Support (CETS) Community Childcare Subvention (CCS) 'Free' Pre-School Year Scheme (ECCE) | 232 |

Source: Extracted from Comptroller and Auditor General (2011) Appropriation Accounts, 2010, Vote 41, p.679. Does not include capital grants, research, grants to intermediary technical support bodies, parent's contributions/payments for services, Childcare Inspectorate.

Childminding as a form of childcare is a significant area of economic activity. In 2007 the Government introduced a tax relief on childminding. This permitted (mainly women) who were childminding three children to obtain tax relief on her earnings if they did not exceed €15,000. It has not been possible to ascertain the aggregate value of this relief. The public authorities

support the organisation *Childminding Ireland* which provides training, support, networking, seminars and advice to over 1,000 of the childminders in this sector.

Informal childcare such as grandparents and neighbours is used by the parents of 14% of children aged 0-2 and 17% of children aged 3-5 years.¹⁰⁵

2.4.1 Employment and occupation in three sub-sectors of Social Services Ireland

Table 2 illustrated the significant scale of employment in the three social service sub-sectors of the PESSIS study. Estimating employment in social services is complex given the range of employers from 3,000 employees to the micro employment scale of local childcare centres or nursery with five part-time staff. The Irish Nurses and Midwives Organisation has pointed out that while employment of nurses, may for example, decline in a service sector, there may also be shortages in the same sector where staff turnover is high.¹⁰⁶

In addition to those employed in a 2011 study of non-profit bodies, an estimated 9,214 persons serve as voluntary directors on the boards of the 2,260 bodies in the field of social services.

Table 7 would indicate that the Health and Social Care Professionals category used by the Health Service Executive in its 'Employment Control Framework' may well underestimate numbers engaged in social service occupations as described in the Census. The numbers arising from line 1 of the table are considerably less than the numbers in lines 2, 3 and 4 using census categorisations of occupations. This is all the more surprising since the last survey of social workers identified the Health Service Executive as their biggest employer.¹⁰⁷ The HSE estimates that it employs about 1,200 social workers in 2012.

¹⁰⁵ OECD Family Database, Employment, Labour and Social Affairs, Table PF3.3.A. Informal childcare arrangements. Ireland data 2008.

¹⁰⁶ Interview 2012

¹⁰⁷ National Social Work Qualifications Board now dissolved.

Table 8 estimates the total numbers of professionals employed in some of the social services. The data is six years old. Newer data will be available in July 2012. Whether the source is the Health Services data or the last Census of the Population, the estimates do not capture well the nature of employment in social services as it is confined to professional occupations as traditionally defined, and does not enable us to identify the growing numbers of care workers, personal assistants and other support and specialist workers in social services other than as a form of residual category (line 4).

Table 8 General Estimates of Employment in Social Services by occupation*selected years

| | | Year | Numbers | Of which female | Source |
|---|---|------|---------|-----------------|---|
| 1 | Health and Social Care Professionals | 2010 | 9,645 | - | Dept. Health, <i>Health Statistics 2011</i> Table K1c.Excludes cancer care, population, health and corporate services |
| 2 | Social workers and probation officers | 2006 | 4,324 | 83% | <i>Census of the population 2006, Volume 8 Occupations Table 8</i> |
| 3 | Social work and related professions | 2006 | 17,284 | - | <i>Census of the population 2006, Volume 8 Occupations Table 10</i> |
| 4 | Matrons, houseparents, welfare, community and youth workers | 2006 | 9,867 | 71% | <i>Census of the population 2006, Volume 8 Occupations Table 8</i> |

* Excluding housing

Data on the nationality of persons working in social services is not available. However a review of work permits issued in early 2012 suggests that about

9% of work permits issued by the Department of Jobs to non-EU nationals went to the nursing home care sector.

2.4.2 Carers in child care, disability care and in elder care recognised by the State

The care of persons in their own homes is part of public services in the form of the work of Public Health Nurses, Social Workers, Home Helps and Personal Care Assistants. They provide assisted living or support independent living to persons in their homes or palliative care to dying adults and children. This paid professional work is to be distinguished from care provided by family members. Care inside the family unit is increasingly part of the delivery of social services in the following scenarios in Ireland:

- Care in the home which is regulated by statute as it relates to vulnerable persons or children
- Care provided in the family as a public policy
- Care provided by families in the absence of collective public service

Table 9 Labour market replacement State payments for in-home care 2009-2010

| Year | Benefit claimed to care for a child (under 18) who needs full time care in the home | | Benefit Claimed to care full time or part time for a person who is elderly or has a disability in their home | | Persons approved to foster children in care of state in their own private homes | | Total of Public Expenditure |
|------|---|-------------|--|--------------|---|--------------|-----------------------------|
| | Domiciliary Care Allowance persons | Expenditure | Carers Allowance Persons : | Expenditure | Foster Carers | Expenditure* | |
| 2009 | 24,046 | - | 48,223 | - | - | - | |
| 2010 | 23,428 | €95,710,000 | 50,577 | €501.822,000 | 3,600 | €93 | €690.5 million |

Source: Calculated from Statistics of the Department of Social Protection, 2011, Foster Care Association of Ireland 2011 (Within Health Budget Vote), Health Matters, vol. 7, Issue 4, 2011.pp 38-39

*calculated at lower payment of €325 x 52 weeks x 5,500 (2011) children

Distinguishing between informal and unpaid care, it has been possible to extract the numbers of persons who receive payments from the State to care for person in their homes or nearby. In 2010 there were 77,605 recipients, as shown in Table 9 above.

2.4.3 What is a social service according to PESSIS study participants?

A social service is not a well established concept in wide usage. Interviewees' responses were quite different and diverse from each other.

- Some defined social services in a general or universal fashion, incorporating many public services
- Some defined social services in a particularistic way –naming specific service areas
- Some thought the question was not particularly helpful

Here is what some respondents said about defining social services:

'(they) start at maternity hospital and end at the grave'

'the protection and inclusion of everyone and not just people with disabilities'

'rights of everyone to social inclusion regardless of their competence –right to decent income, medical care and the right to live in one's community'

'broad canvas of social and public services –state ensuring provision of these services, but not necessarily being the deliverer'

'health, housing and education and welfare of children in need'

'mental health, education, addiction, disability, homeless, primary care'

'all alternative forms of care for children (outside family) – foster care, justice and education welfare'

'not a term we use...as we don't group our voluntary organisations within a social services sector – not a term we use in dialogue'

'there are no boundaries – they're school, health, social services, a full care model'

2.5 Social Dialogue and collective bargaining agreements

With its tradition of centralised collective bargaining, there is just one national level collective agreement in Ireland of significance in the social services sector since 2010 - *The Public Service Agreement 2010-2014*. This collective agreement is known as *'The Croke Park Agreement.'* The Agreement applies to the public service and bodies designated to provide services on behalf of the State such as under the Health Act 2004. The Agreement arose following escalating industrial action arising from pay cuts consequent to the banking and economic crisis of 2008 (Implementation Body, 2011, 40). A very extensive and deep process of social dialogue between public employers, trade unions, and state authorities and facilitated by the State's Labour Relations Commission preceded the Agreement Labour Relations Commission, (2011). The Agreement covers the largest social service employer: the State. In the Health Sector, which includes a large proportion of social services, the Agreement applies to 105,000 persons (Implementation Body, 2011, 37). With very high levels of trade union membership in the public services, the Agreement is extremely important for the day to day functioning of public social services.

The Agreement was negotiated between the Public Services Committee (see Appendix for membership) of the Irish Congress of Trade Unions (ICTU) – the single trade union Congress for all of the island of Ireland and public service employers.¹⁰⁸ Representative associations for An Garda Síochána (police) and the Defence Forces – not affiliated to Congress, following negotiation, also endorsed the Agreement, as did the Psychiatric Nurses Association and the Irish Hospital Consultants Association - neither being affiliated to the ICTU.

¹⁰⁸ The Agreement applies only to Ireland, not Northern Ireland (UK).

The Agreement has seven chapters or 'sectoral' agreements. These chapters cover Health, Education, Civil Service and State Sponsored Bodies, Irish Prison Service, Local Government, An Garda Síochána and Defence Sector Agreement. In the words of one stakeholder ' *the Croke Park Agreement is the only show in town.*' The Agreement applies only to the Public Sector but that includes those large Non-Profit bodies who are delivering services on behalf of the State under the Health Act. Organisations which deliver services with the support of some public funding are not directly covered by the Croke Park Agreement. Given its scale, the Agreement may also function as a type of benchmark for employers outside its remit, such as private and not-for-profit employers. This latter remains to be demonstrated by evidence.

The Agreement, in relation to the Health Sector provides for, amongst others:¹⁰⁹

- An Employment Control Framework which restricts the recruitment/replacement of staff
- Redeployment/ reassignment of staff across the public service, outside town or place of work
- Changes to organisational structures including out-of-office locations
- Multi-disciplinary working and reporting arrangements in teams
- Measures to combat waste, inefficiencies and to provide value-for-money
- Reductions in 'on-call' working
- Adherence to risk, safety and quality standards
- Extended working day - services 8am to 8pm and/or 5/7 day week + 24 hour emergency service
- Changes to rostering and skill mixes
- Increased accountability of senior management
- Competitive and merit-based promotions
- Incentivised early retirement schemes, career break schemes

In return for the above measures, the Agreement guarantees:

¹⁰⁹ The Public Service Agreement 2010-2014, pp 17-18.

- No further pay cuts in the public sector until 2014
- No compulsory redundancies
- Review of the implications of pay cuts for pension entitlements
- Outsourcing of services will only take place following consultation with trade unions

The Agreement is dynamic in its implementation. There are structures for employers and unions to refer a disputed matter for clarification or interpretation by the Implementation Body for the Agreement. The Agreement is monitored sector by sector with a synthesis Progress Report published at least once a year.

A Minister for Public Expenditure and Reform was appointed to a newly created Department in 2011 – this Department has an overview of the Agreement. Questions on the Agreement are answered by the Minister in the Dáil (House of Parliamentary Representatives).

Despite several difficulties, the Croke Park Agreement 2010-2014 has lasted for almost two of its five years duration. It has brought industrial peace to a workforce subdued and fearful in the midst of the uncertainty of an indebted economy in bankruptcy. For public sector employers it has provided some order in the short-term to the industrial relations environment.

Organisations which are Members of the Public Services Committee of the Irish Congress of Trade Unions and who have endorsed the Croke Park Agreement:

IMPACT*

INTO Irish National Teachers Organisation*

SIPTU Services, Industrial and Professional and Technical Union*

PSEU Public Service Executive Union

VOA Veterinary Officers Association

MSLA Medical Laboratory Scientists Association

POA Prison Officers Association

INMO Irish Nurses and Midwives Organisation*

CPSU Civil Service Executive Union

IFUT Irish Federation of University Teachers

TUI Teachers Union of Ireland

UNITE (formerly T&GWU and - AMICUS UK and Ireland)

IMO Irish Medical Organisation

AHSPS Association of Higher Civil and Public Servants
ASTI Association of Secondary Teachers of Ireland

* indicate those unions with membership within the social services and in education for children aged 5 years old or less.

In addition to the Croke Park Agreement, The Irish Business and Employer Confederation and the Irish Congress of Trade Unions signed a *National Protocol for the Orderly Conduct of Industrial Relations and Local Bargaining in the Private Sector* in 2010. This short document provides for a method of approaching and handling of disputes at local and national level in the private sector. The Protocol does not address pay and working conditions.

Employment Regulation Orders (EROs) for specific lower paid sectors of industry are the outcomes of the negotiations between sectoral employers and unions for the sector meeting in Joint Labour Committees (JLCs). The negotiations strike a wage or other basic working conditions and this agreement becomes a Registered Agreement at the Labour Court. The entirety of this form of long standing collective bargaining is now under review following a legal challenge to the process. The consequences are relevant to those social services which buy-in outside services such as contract cleaners or security staff for their premises.

2.5.1 Previous Dialogue and Agreements

In 2006 and following a protracted period of dialogue between representatives of public and private employers, trade unions, farmers and non-profit (voluntary and community) bodies, an extensive and complex agreement was reached between the parties. The Agreement was to establish a comprehensive ten year framework for social partnership. The Agreement is entitled

Towards 2016 Ten-Year Framework Social Partnership Agreement 2006-2015.

The Agreement was negotiated between parties representing:

- The State

- Irish Congress of Trade Unions
- 6 Employer or Business Representative Bodies
- 4 Agricultural Representative bodies
- 15 Not-for-Profit social service, social development and social justice bodies in the field of children social housing, the aged, carers, poverty and unemployed and including the Disability Federation of Ireland (Community and Voluntary Pillar)

The parties to the Agreement are described as *social partners*. They committed themselves to an ambitious 100 page partnership agreement for the economic and social development of Irish society over a ten year period. Unions and Employers negotiated, within the process, a collective bargaining agreement of specific pay increases in return for industrial peace in both the public and private sectors. The agreement however remained a two part document, with the social policy commitments never integrated with the pay and conditions commitments, and the Community and Voluntary Pillar having no role in negotiating the latter. Croke Park was a retreat in terms of coverage because it only covered public sector employers and because the social policy element was dropped. The new Government elected in 2011 has not altered these fundamentals.

When it came time to review the Agreement in Summer-Autumn 2008, many of the suppositions on which it was based were faltering and uncertain. Full employment, a growing economy, fiscal policy with room to manoeuvre were under question. In 2008 the parties agreed:

Towards 2016 Review and Transitional Agreement 2008-2009.

This agreement reprioritised economic issues and pay for a period of less than two years. In September 2008, the Government announced it would guarantee banks which claimed to have a short-term liquidity crisis, but who subsequently turned out to be insolvent. With the banking crisis of autumn 2008, the Transitional Agreement began to unravel in terms of expected pay increases and pensions (Sheehan, 2009, Parliamentary Affairs, 2011). The Croke Park Agreement in 2010 attempted to restructure and remould a Collective Agreement for the public sector at least.

The collapse of long-standing partnership structures left a void for some. In a national survey of workplaces in the public and private sector (Watson, et al., 2010, 46) in 2009, the authors found that 96 per cent of public sector employers had formal partnership arrangements in place at that time and 69% had informal partnership style arrangements.

Those civil society parties who had participated in concluding the *Towards 2016* parties are known as the Community and Voluntary Pillar. An Agreement was concluded between the Community and Voluntary Pillar and the State in 2011. The Framework provides for an outline of mutually agreed exchanges of information, reviews and to fostering co-operation as outlined in *Towards 2016*. The Community and Voluntary Pillar were and are not involved in negotiations concerning pay and conditions at work.

In 1999 Employers and Trade Unions in the Health Services established a Health Services National Partnership Forum to develop a shared vision of how modernisation of the services could be achieved. It contained equal numbers of employers and trade unions Executive with joint chairperson from each side. The Forum, amongst other activities, acted to verify progress under the various National Collective Bargaining Agreements. The Forum was dissolved in June 2011.

2.6 Trade Union representativity in social services

There is no consensus between commentators on Ireland's trade union density. The Irish Congress of Trade Unions disputes the interpretation of membership data provided by the Central Statistics Office; data which is widely used by commentators in Ireland and Europe. Commentators argue that in 2009 Ireland had a trade union density of 34% - a rise of several points from 2007 when it was then recorded as only 31%. In 2009 there were approximately 535,000 trade union members according to commentators and 579,578 according to ICTU (Walsh and Strobl, 2009, 117-138).¹¹⁰ The density rate of 34% is greatly exceeded, if not double or triples, in some areas of public social services. Examples are provided in Table 17

¹¹⁰ See pp 117-138.

Table Estimates of levels of unionisation in sub sectors of social services

| Sub sector | segment | Rate of unionisation estimate | Unions mentioned |
|---------------|--|--|--|
| Disability | Not for Profit Residential Service providers intellectual disabilities | 90-95% | IMPACT SIPTU |
| | Social Care Workers | 70% | IMPACT SIPTU |
| | Public Service Professionals | 70-80% | IMPACT |
| Children | Children's Services -public | 75% | IMPACT |
| | Childcare services | Not known | IMPACT |
| Older Persons | Public Nursing Homes | 85-90% | SIPTU INMO |
| | Private Nursing Homes | Not known | |
| | Private home care | Very low | INMO |
| | Public Home Care | 70% | SIPTU |
| General | Local community/voluntary Group employees | 10,000 members Unionisation rates unknown | SIPTU Joint actions with IMPACT on funding |

Source: Interviews PESSIS

SIPTU and IMPACT have about 80,000 members in health and social services. IMPACT estimates trade unionisation levels at 70-80% in public services.

2.6.1 Employer representative bodies

There is a diversity of employer bodies that perform different functions, some having no role in social dialogue.

- IBEC - Irish Business and Employer Confederation national body - represents larger not-for-profit bodies in industrial relations, Irish member of BusinessEurope

- National Federation of Voluntary Bodies –advises, represents and lobbies the public authorities on behalf of 62 member organisations: not-for-profit bodies including larger bodies employing 1,000-3,000 employees - an Irish member of EASPD Europe
- Disability Federation of Ireland (DFI) - 127 members and associate members which, amongst others, represents disability issues within the social partnership arena as a civil society representative body – an Irish member of EASPD
- Community Sector Employers Forum (CSEF) represents, lobbies and advises its membership on working conditions and standards in local non-profit groups and associations and in social economy and engages with SIPTU, IMPACT, UNITE and the Irish Congress of Trade Unions
- Not-For-Profit Business Association represents the business interests of seven large service employers in the field of physical and sensory disability

2.7 Understanding of Social Dialogue in Ireland

The understanding of social dialogue in Ireland is shaped by experiences of the decades of voluntary social partnership agreements. This heritage impacts on the language, concepts and perhaps current expectations of engagement in use among representatives of employers, employees and social service and social care providers (Hastings et al., 2007, 191-211). The perspectives of interviewees on the topic can be viewed in three ranges of opinions:

- Those who see social dialogue as a form of valuable collective process between workplace parties which may or may not have an outcome in the form of a collective bargaining agreement or 'partnership' agreement
- Those who understood social dialogue as a wider form of consultation involving parties representing social services or service users in a form of consultation process with the public authorities, some of whom also favoured the first engagement approach as well
- Those who were disenchanted with social dialogue and/or partnership outcomes

2.7.1 Social Dialogue as a valued collective process

*'Social dialogue is all the relevant partners engaged with one another – unions employers and user groups –social dialogue and social partnership are two different creatures – partnership of its time widened its ambit to deal with social dialogue.'*¹¹¹

*We strive to engage – use Croke Park (Agreement) as a framework for engagement –apart from Croke Park local members and managers have relationships...*¹¹²

In the words of one stakeholder: *'there is social and civil dialogue and engagement with the wider civil dialogue. Social dialogue is where employers and employees are engaging with government. There is no fourth side.'*¹¹³

One employer put it like this: *'we are under Croke Park (Agreement) and have also initiated in-house dialogue – a positive industrial culture (but) no formal partnerships...we have a local forum so local social dialogue is both formal and informal'*¹¹⁴

Another employer stated: *'Unions are an integral part of change. (We have) a sharing and partnered approach – work with them to reach strategic agreement – we recognise power balance but work it out. We took Croke Park Agreement - extracted it all out, made a template and populated it out.'*¹¹⁵

Centralised collective bargaining – the Croke Park Agreement is very significant- it is the first comprehensive one for the delivery of social services it amounts to a text as a against a blank sheet in a free-for-all ..'

*'We are a representative body licensed to negotiate – we do a lot of dialogue around Croke Park (Agreement) these include negotiations within companies –work practices, rostering, flexibility, industrial relations machinery (like) Labour Relations Commission, Employment Appeals Tribunals..'*¹¹⁶

¹¹¹ Interview 14

¹¹² Interview 15

¹¹³ Interview 20

¹¹⁴ Interview 4

¹¹⁵ Interview 5

¹¹⁶ Interview 2

2.7.2 Social Dialogue as a wider form of engagement with civil society and/or social partners

A number of bodies would like to have been able to engage more fully and deeply as representatives of employer or employer type bodies in the field of social services, especially in relation to very small, small and medium size social or economic enterprises.

IMPACT and SIPTU are exploring with the Department of Finance the possibility of a new Forum to discuss the future of the Community and Voluntary Sector. This is supported by the Community Sector Employers Forum.¹¹⁷ The Community and Voluntary Pillar also have on-going discussions with the government.

*'We are a non-negotiating body in terms of pay but are part of a European dialogue (EAHSA) focussing on workforce planning, ageing population and projecting future demand'*¹¹⁸

*'The Tanaiste (Deputy Prime Minister) has said "social partnership is dead but social dialogue is in" the Community and Voluntary Sector is campaigning around social dialogue and the role of the state within a Tripartite structure of unions, employers and the Department of Finance'*¹¹⁹

A trade union remarked that they would like to see smaller employers in IBEC – it being *'preferable to be in an established structured network of relations, especially in social services – some need professional assistance in Human Resource Management in industrial relations'*¹²⁰

A non-profit association reported very good relations with trade unions like IMPACT and SIPTU and with employers in IBEC. They would like to have had dialogue with the Health Authorities but were ignored. They would like to have residents' councils in centres of long-term care for the elderly.

¹¹⁷ See IMPACT Health and Welfare Report 2009-2011.

¹¹⁸ Interview 1

¹¹⁹ Interview 10

¹²⁰ Interview 11

'Social Partnership in Ireland is dominated by the Trade Unions and dialogue by a more political wing –so broader than the Trade Unions - Social dialogue is more effective with all partners including civil society'¹²¹

Early Childhood Ireland with 3,200 members in the field of early childhood education and care in nurseries, crèches and playgroups would like more opportunities for formal dialogue, which would benefit their members as employers, some of whom have unionised employees. This view was shared by Childminding Ireland with a membership of 1,000 self-employed childminders whose members are regulated and inspected by public authorities and recognised by the State and Revenue Commissioners as making a contribution to social welfare.

A number of interviewees of all backgrounds were at pains to stress that change and modernisation in social services is needed and that ideally employees should be consulted and invited to participate in the construction and management of change. However, they were equally concerned to convey that efficiencies and different composition of social service delivery teams, for example should not be based on practices that undermine the quality of services to users/residents/clients and relationships between employees and service users. In this regard there was an indirectly articulated view that 'increased productivity' in the social services' sector must be cautioned or constrained by service user's right to a decent service.

2.7.3 Social dialogue – the appearance of 'uncertainty'

A number of interviewees were disenchanted with how Croke Park as a collective Agreement and the Health Service Executive as the largest employer were implementing the Agreement. They spoke for example of employees being '*hugely disenfranchised and disempowered – fear and insecurity (in the workplace) and advocacy losing its voice...or 'loss of faith' in Trade Unions with declining memberships.*

They described '*consultation process*' as '*tokenistic at best particularly with the HSE (Health Service Executive) but the same for Community and Voluntary Sector*'¹²²

¹²¹ Interview 22

¹²² Interviews 16 and 17

Some employers were reported to be disengaging from Croke Park, with non-signatories emerging in the course of localised disputes.¹²³ A trade union recounted being obliged to renegotiate an agreement which had redeployed staff to neighbourhood care; staff who were now being recalled back into hospitals where there was an urgent shortage of staff. *'There is a disconnect between management and staff and some workers are worried – a ground level disconnect,'* said an expert.¹²⁴

A large employer noted that the industrial relations model was changing – that as the climate *'hardens- good will diminishes'*

In the following section, some themes which arose in discussions are briefly summarised.

2.8 Thinking of the future of social services

2.8.1 Emerging issues

The participants in the PESSIS study in Ireland had many insightful and reflective perspectives on the future, only a fraction of which can be addressed in this text. A number of bodies have already published their views on the future – in the case of the Irish Association of Social Workers (2011) and the Irish Nurses and Midwives Organisation (2010).

2.8.2 On the future structures of welfare and social services...

A large not-for-profit body suggested: *'we need a different direction in the future – the sector is under threat – the market is going to change dramatically – in the US (the market has) a significant role for example in elderly services – it is dominant. (we need) to revisit our unique contribution to the fabric of Irish society our "added value" in terms of the future and how we uphold it into the future.'*

A trade unionist spoke in a similar vein *'...the outsourcing model – this is where the battlefield is being shaped – the home help sector - community home help services will lose due to the contract model.'* was equally

¹²³ Interview 15

¹²⁴ Interview 21

concerned *'The issues surrounding public or private and also the community are uncertain.'* The Irish Association of Social Workers view was sharply to the point: *'(the HSE) is introducing a semi-English system – commission officers who procure/buy-in services – privatisation really –not only privatisation but philanthropists –with a lack of policy esoteric groups jump in (to the void).'* Others wondered whether in the future their line managers would be social professionals or accountants –at present *'accountants are running the show.'*¹²⁵

2.8.3 On individualised services...

The restructuring of services away from segregated residential settings to individual independent or assisted living in mainstream society and citizen environments was a subject for speculation as well as concern. A not-for-profit body insisted on a person-centred approach within the community but added: *'I see a push from Europe to go back to large congregated settings, for example nursing homes.'* While individualised budgets or money-follows-the-person systems of delivery of social services were seen as desirable, they would have massive implications for employment and current employees. An interviewee put it like this: *'The big issue for the future in disability (is) going beyond the service – being of service to people as against a service provider.'* An interviewee reported that¹²⁶ some staff are terrified by changes in terms of their impact on social care workers. Many smaller scale service providers 'outside the loop' of mainstream services report a close identification with service users and are already working in a local and individualised context.

2.8.4 Professionalisation and deskilling

The themes of registration and regulation of professionals and simultaneously the up-skilling of some groups and the deskilling of others generated a number of remarks. Under the Health and Social Care Professionals Act, 2005 Social Workers and Social Care workers are among the professionals who will in the future have to be both registered as

¹²⁵ Interview17

¹²⁶ Interview 19

professionals and will become part of a regulated profession. There is concern that the free movement of professionals across Europe is exercising downward pressure on qualifications with more emphasis on competency than qualification. This is a complex issue with long-term implications.

An employer remarked that some qualified social care workers are being replaced by the equivalent of health care assistants/care assistants/less qualified carers in the private sector. The Irish Nurses and Midwives Organisation have analysed the ageing of the nursing workforce with an average age of a nurse or midwife now reaching 42 years and more than quarter of active nurses over 50 years old. Childminding Ireland observed on the inconsistency of policies. Those who are seeking state support to obtain formal qualifications in childcare will only get childcare subsidies if they use nurseries and not if they use childminders. A number of employers referred to the issue of 'skill mix' in the social service workforce. This could mean staff with a nursing background being replaced by staff with a 'care' background, in line, for example, with a social model of disability.

2.8.5 Impact of austerity measures on social services...

The term *'race to the bottom'* cropped up in several discussions with representatives of employers and employees as well as other interviewees. This is a fear for the future- that standards of service and working conditions will crash as the State inexorably reduces public sector employment and minimum standards. For Early Childhood Ireland, it is a question of whether services are sustainable into the future – a view shared by some others. With an embargo on recruitment in the public sector and pay cuts/freezes some services are closing or emptying. The collective memory and collective intelligence of experienced staff is being abandoned by incentivised early retirements or squandered by exclusion from contribution and a failure to mobilise the available service leadership. Newly qualified social care and social work staff seek work anywhere they can find it.

2.8.6 A sense of uncertainty...

Health and social services are in the process of being reconfigured. A new Child and Family Services agency will be established in 2013. Health

services will be reorganised into seven 'Directorates' - a concept with a ring of Napoleonic France about it. The shape of these new 'Directorates' is unknown and adds to feelings of insecurity at both management and ground level. For some, this will be their third experience of restructuring.

2.8.7 The information base in Ireland

Throughout the paper many problems with data have been noted. Importantly, it was not possible in this study to gather much information about employer/employee relations in the case of employers who are not represented in Croke Park or other national social dialogue fora. Given the importance of non public (or quasi-public) employers in the three sectors, the mapping project cannot be presented as comprehensive. Any analysis of social dialogue in Ireland has to caution accordingly.

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Appendix 1

Examples of Social Service Employers Ireland

St Michaels House: A Not-for-Profit Body grant-aided by the State

St Michaels House is a social service providing for people with disabilities, primarily for those with intellectual disabilities or other cognitive difficulties. The services include education, training, residential and respite services, clinical services as well as Alzheimer and social and recreational supports. The organisation has a specialised library and a training college used by organisations across Ireland. Under the Health Act, 2004 St Michaels House provides services on behalf of the State and is grant-aided to do so. About 1,602 adults and children use their services at over 170 centres in the Eastern Counties of Ireland. St Michael's House employs 1,300 staff. The Board and management of the services are committed to the Collective Partnership Agreement *Towards 2016* and to the current *Public Service Agreement 2010-2014*. The organisation has good working relationships with unions such as IMPACT.

Society of St Vincent de Paul: a faith-based international organisation

The Society of St Vincent de Paul was founded in Paris in 1833 after the Revolution and established in Ireland in 1844. It is now the largest voluntary organisation in Ireland with 9,500 volunteers. In 2010, the Society spent €74.3 million on its services, most of it coming from collections, legacies and corporate donations. The Society operates hostels for homeless people, holiday centres and nurseries for disadvantaged children as well as visiting prisoners and supporting the elderly in their homes. Of its 587 employees, 126 work in children's nurseries and family resources services, 90 work in hostels and 70 in holiday homes. Staff at a number of its locations belong to the SIPTU trade union and in cases of industrial dispute, the Society has used the services of IBEC to represent it.

Nursing Homes Ireland: representing private care services

Nursing Homes Ireland is the public face of 354 nursing homes in Ireland employing 21,000+ employees. Their preference is to describe themselves as in the care sector rather than a care business. NHI advises and represents its members by making submissions to government on subjects such as elder care, the need for workforce planning and investment and the changing need complexity and demography of care home residents. Nursing Homes Ireland is not permitted to engage in collective bargaining with trade unions on behalf of its members. Each care home has to negotiate separately with the State on the one hand in relation to subsidies and the unions on the other. The organisation is a member of the European Association of Health Services for the Ageing (EAHSA) as well as an Ireland/UK association called the 'Five Nations' which combines nursing home associations in Ireland, Northern Ireland, England Scotland and Wales. Nursing Homes Ireland values its cordial relationship with the trade union Irish Nurses and Midwives Organisation.

Appendix 2

Additional Tables

Chart A21 Public, Private and Not-for-Profit schematic indicative distribution of services

| | Children aged 5 and under | Elderly | People with disabilities |
|----------------|--|--|---|
| Public | Majority of 4-5 year olds in public primary schools | Reducing volume of services | Large role of public funded bodies |
| Private | Children aged 0-4 years in private child care and some private schools + foster care | Growing residential and home care services by private agencies | Minority of services |
| Not-for-profit | Child care services and specialised services | Reducing services | Large role in delivery, especially services for people with intellectual disabilities |

Source: PESSIS study Ireland, 2012 and reports of interviewees.

Table A21 Sources of funding of 2,269 nonprofit social service bodies 2009-2010

| Resource Source | Share of income from source % |
|-------------------------------|-------------------------------|
| Legacies | 0.3 |
| Donations + donations in kind | 1.1 |
| Tax Relief | NES |
| Grants –State Philanthropic | 36.5 |
| Corporate | 0.1 |
| Memberships/sponsorships | NES |
| Church collections | NES |

| | |
|--|------|
| Fundraising events/activities | 4.3 |
| Charity shops | 0.8 |
| Investment income including deposit interest | 0.5 |
| Fees/income from trading activities | 21.5 |
| Other, uncategorised, unspecified | 34.7 |
| Total | 100 |

NES = numbers especially small

Source: Calculated from *Nonprofits – What do we know?* (2011) page 29.

In terms of sources of income, more than one third of income is not attributable to any category, is too vague to categorise or is from a miscellaneous source. In the bigger picture, some of the sources where the general public interact with non profit bodies in street collections, church collections, charity shops or door-to-door sponsorship are actually very small sources of income. They are small compared with grants from the State or Philanthropic/Humanitarian Foundations.

Table A2 2 Estimated numbers of nonprofits in social services by size of employment 2010

| Employment range | No employees | 1-5 | 6-10 | 11-50 | 51-100 | 100+ |
|--------------------------|--------------|-----|------|-------|--------|------|
| Numbers of organisations | 463 | 343 | 203 | 251 | 28 | 32 |

n= 1,320 nonprofit service bodies which provided information on this subject.

Source: Irish Nonprofit Knowledge Exchange (2011)

About one third of nonprofits in the 2011 study provide childcare such as playgroups, crèches, play schools. About one third provide community services devoted often to particular groups such as young people, older people, family resource centres. The remainder support services such as adoption, child welfare, personal social services, bereavement, drug addiction, domestic violence, meals for the elderly, respite care for families with persons with disabilities, marriage counseling and asylum seekers. Disaggregated data by detailed sub-category is not available. This estimate does not include services to people with intellectual and physical disabilities, autism and mental health

difficulties, which were categorized in the study under the heading of health services

Table A2 3 Nursing Home Places –Long Term Residential Care supported by State public + private facilities*

| Sector | Numbers of beds | % |
|--------------------------------|-----------------|------|
| Private Beds | 11,458 | 51.8 |
| Public Beds | 6,446 | 29.1 |
| Subvented beds | 1,940 | 8.8 |
| Contract beds | 2,285 | 10.3 |
| total | 22,129 | 100 |
| (beds in voluntary facilities) | (400) | - |
| (Grand total) | (22,529) | - |

Source: Extracted from Comptroller and Auditor General, 2011, Figure 190 and notes, p.649, Data for March 2011.

* Excludes 400 beds in the voluntary not-for-profit facilities added in to the table by authors

Table A24 Numbers of Nursing Home

| Nursing homes | |
|---------------|-----|
| Public | 120 |
| Private | 487 |
| Total | 607 |

Nursing Homes Ireland 2011

Table A2 5 Children aged 4-5 years in national schools, private schools, special schools
and as percentage of estimated child population

| Age by single year | Exclusions | period | Numbers in Junior Infants classes | Proportion of age group 2010 |
|--------------------|------------|--------|-----------------------------------|------------------------------|
| | | | | |

| | | | 2011 | |
|---------------|-------------------------------------|---------|---------|-----|
| Age 4 or less | Excludes centres for young children | 2010-11 | 26,408* | 39% |
| Age 5 | Excludes centres for young children | 2010-11 | 64,126 | 99% |
| Totals | | 2010-11 | 90,534 | |

Source Department of Education, *Annual Statistical Reports, 2010-2011*
Table 2.1

Table A2 6 Numbers of Home Helps - Ireland

| Year | 2007 | 2011 | Decrease |
|-------------------|--------|-------|----------|
| Home Help Numbers | 12,356 | 9,620 | 2,736 |

Source SIPTU in 2011 *Irish Times* November 1st.

Table A2 7 Long Term Residential Care Costs – Actual State Expenditure
Ireland 2010*

| Heading of expenditure | €million | €million |
|--|----------|----------|
| Nursing Homes Support Scheme | 238 | |
| Subvention and contract beds | 228 | |
| Public facilities | 493 | |
| Total | €959 | |
| 5 voluntary nursing facilities under a separate vote | | 82.4 |
| Grand Total | | €1,041,4 |

Source: Extracted from Comptroller and Auditor General, 2011, Figure 189 and notes, p.649, Data for up to December 2010. See also Comptroller and Auditor General, 2011 *Appropriation Accounts*, Vote 40, sub head B12, p.561

*Excludes 5 voluntary facilities added into the table by authors

National Report Germany



**INSTITUTE FOR WORK AND
TECHNOLOGY, GELSENKIRCHEN**

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Supported by: DG Employment, Social Affairs and Inclusion

„Sociosclerosis“: Employer-employee relations in German Social Services at the crossroads

1. Project PESSIS: Promoting employers' social services in social dialogue

The aim of the research project 'Project PESSIS: Promoting employers' social services in social dialogue' is to provide a detailed understanding of how social dialogue is organised and structured (or not) in the social services sector in Europe. It aims to identify barriers to increased cooperation among employers in the sector. The term social dialogue is defined as 'a dialogue between employers and employees'. Eleven national studies will contribute to an overall European perspective of social dialogue in the social services sector, outlined in the European summary report.

Each national report presents a 'picture' of how social dialogue is organised at local, regional and national levels and has addressed the following six research questions:

- What is the size of the social services sector, both in terms of workforce and of employers in aggregated value?
- How well represented is the sector in terms of number of employers and workers covered by collective agreements?
- What are the types of social dialogue or collective agreements that exist?
- How many employers of the sector are involved in social dialogue and at what level?
- What are the key labour issues dealt with and at what level?
- Are there any labour issues that could be dealt with at European Union (EU) level?

'Social services' is a term that can be interpreted in different ways across Europe but for the PESSIS project, the key groups included are:

- Long-term care for older people;
- Care and rehabilitation for people with disabilities;
- Child care.

'Social services' may also cover a range of other services, for example, services for homeless people. These have been included only when they have particularly strong systems of social dialogue. The main focus of each national report is on the three key groups listed above.

The terms public, for-profit and not-for profit sectors are widely used across Europe. They are defined in this report as: Public sector – Government departments, public sector agencies or municipal authorities commission social services in many countries and contract for-profit and / or not-for profit providers to deliver social services. In some countries, social services may still be delivered by municipal or regional government authorities. Public authorities (national, region or local government) may fund social services by providing money directly to individuals. For-profit sector – Providers of social services which operate to make a profit. They may operate with shareholders or they may be private companies, owned by one or more individuals. In some countries, family businesses deliver social services. They may be large or small in size. Not-for-profit sector – Providers of social services, which do not operate to make a profit. In some countries this sector may be called the voluntary or charitable sector. In some countries, volunteers deliver some of the services for the not-for-profit sector.

2. Methodological approach of this study

To answer the previously stated research questions different sources were used:

- To represent the level of employment and employment trends in the social economy, the employment statistics of the Federal Agency for Work (BA) was applied. For the years 2008 and 2011 data on social insurance and marginal employment of the social economy sectors had been considered. This also includes information on women's employment and part-time employment in the social economy.
- To size the vendor landscape we had taken "Sales Tax Statistics", the "Nursing Statistics" and the "Children and Youth Services Statistics"

into account. The "Sales Tax Statistics" contains information on taxable businesses in the social economy, while the "nursing statistics" offers the numbers of outpatient and inpatient care. From the "children's and youth welfare statistic", information on facilities / providers for this area of social economy had been taken.

- To describe the collective agreements and their objects of regulation different sources had been considered. Firstly, relevant publications on this subject were sighted, for example studies by the Economic and Social Research Institute (WSI). Additionally the tariff registers of Verdi - The United Service Sector Trade Union had also been considered. It provides information on the number of completed collective bargaining agreements, the contract partners, the level of the collective agreement (federal, county-/regional, operational) and the control subjects. In dialogue with the experts on collective bargaining agreements and the responsible staff of the unions we also asked for additional information on the proportion of the facilities which are covered by tariff regulations. In addition information on wage settlements in the social economy was collected by internet research. This approach was chosen because of the separate labour law as a result of the Third Way in the social economy, which in its dimensions, structure and content cannot be adequately examined with the mentioned sources.
- The previously outlined steps were supplemented by in-depth interviews with ex-perts in the social economy. The interviews were used to provide detailed information on the structure, organization and content of social dialogue from the employer's perspective in particular. Furthermore, it was the aim of the interviews to obtain information on key obstacles to cooperation, its causes and future design challenges to the social dialogue in the social economy. Central guiding questions of the expert interviews were:
 - How has the environment for organizations / social enterprises changed in the recent years?
 - What impact did these changes have with regard to the design of employer-employee relations?
 - What are the greatest challenges with regard to the design of employer-employee relations at present?
 - What role is played by European directives / regulations?
 - How to describe the current landscape of collective agreement / contractual arrangements in the social economy?
 - Which objects of regulation are currently in the focus?

- What are the expected objects of regulation to gain importance in the future?
- Does the design of the social dialogue need special requirements from the employer's perspective?
- Which topics of industrial relations should be addressed at European level?

The findings were subsequently summarized and condensed in a SWOT-analysis on social dialogue in the social economy in Germany. The works in the project were carried out in the period from February to May 2012. Included in the compilation of results was also a Skype conference on coordination of research strategies between the Euro-pean partners and the results of a coordination meeting of project partners on 17/04/12 in Brussels.

3. Social Services and social economy in Germany – Basic information on the profile of the sector

3.1 Definition social services - Core elements of the social economy

In the understanding of the current discourse the core elements of the social economy are social services. Till now there is no obligatory, general definition for the idea of "so-cial service" hence there is no generally binding delimitation of the social service sector in Germany either (Badura/Gross 1976, zit. by Heinze 2011). Primarily the "orientation at immaterial problem situations and special circumstances of the particular" is distinctive for the idea of the social service. Correspondingly the aims of social services are the restoration respectively the improvement of the physical or emotional life, the experience ability, the social ability and quality of life (Heinze 2011: 169; Grunow 2006: 805; Hartmann 2011: 76; Bauer 2001: 20). The core of social service work is the providing of help and welfare which is mainly offered and financed publicly by professional service providers (cf. Brinkmann 2010: 3).

3.2 Social Economy" - Economy industry and stabilization element for societies in a change

If one speaks about "social services" in view of the economic meaning most people talk about "social economy". The term "social economy" can be understood as change of paradigm as public and social services are not only recognized as a social cost, but also a social productive force and stabilizing factor for other economic sectors. This becomes especially clear in the

biggest activity field of the social economy - the old people's welfare. The care, support and company of older people is a social task which contributes to the employment directly and indirectly, generates independently creation of value and altogether contributes to the growth of the national economy. Social services also have an important relief function for the acquisition system in the national economy as professionally rendered social services assign and create capacities for job performances in other economic sectors.

3.3 Economical delimitation of the social economy - Social concerns and Social pro-visioning

Till now there is no general understanding about how the social economy can be measured in view of its industry-specific delimitation. The social economy can be described as the economic sector in which directional behavior socially translates into services and is offered on the market. In comparison to other economic sectors it can be defined as an industry association with the aim to promote the common good and not to achieve private profits. Social services as constituting elements of the social economy work, stamp and programme social measures to secure one's livelihood primarily in the area of care, health, the integration of people with handicaps, education as well as youth welfare. Object of the social economy is particularly common and personal supply (social provisioning) as useful life maintenance. This is primarily the fulfillment of social requests (social concerns) like protection against risks of life, the mastering and solution of socially defined problems of single people or groups in the community and social problem situations. After the definition of Kramer (2006) supplier/protagonists of the social economy can be organized as both as a non-profit or as a private organization, crucial is the public welfare orientation (Kramer 2006: 12). The outlined definitions show clearly the difficulties in the delimitation of the social economy in comparison to other public welfare oriented service fields (e.g. the hospital sector).

3.4 Supplier landscape of the social economy – pluralism of carriers, welfare mix and heterogeneous financing bases

The supplier landscape of the social economy forms a pluralism of carriers and welfare mix with its public, freely charitable as well as private carriers. Furthermore it is task of the public authorities to guarantee, coordinate and control the delivery of free carriers (Brinkmann 2010: 60). Public carriers act predominantly at a urban level, while the European Union, the Federal Republic of Germany and its states hardly offer social services of their own

themselves (Brinkmann 2010: 127). At the federal level, public carriers form a federation with the German Association of Cities, the German County Association of Towns and Municipalities with the top local organizations. The charitable area can be associated with free non-statutory welfare. As the largest provider of non-statutory offers with a total of 100,000 establishments and more than 1.5 million employees the carrier of the non-profit voluntary welfare is of central importance (BAGFW 2009: 10). The most important actors in the field of welfare work are the Workers's Welfare Service, (Arbeiterwohlfahrt, AWO), the German Caritas Association (Deutscher Caritas Verband, DCV), German Red Cross (Deutsches Rotes Kreuz, DRK), the Association of Non-affiliated Charities (Paritätische Wohlfahrtsverband, DPWV), the Welfare Service of the Protestant Church in Germany (Diakonisches Werk der Evangelischen Kirche in Deutschland) as well as the Central Welfare Agency of the Jews (Zentralwohlfahrtsstelle der Juden in Deutschland). Private carriers of social services differentiate themselves into private commercial as well as private freelance suppliers (Brinkmann 2010: 61). Private commercial suppliers are private led enterprises, which are administrated like a business management and orientate themselves at service achievement as well as at profit as main goals (Brinkmann 2010: 61). They do not get any public turnings to the financing of their offers but refinance themselves with state performance considerations as well as with direct payers (Brinkmann: 68). A variety of private suppliers of social services have placed themselves on the care market - particularly in the area of itinerant care - in the 1990s years, as a whole although they have moderate to minor quantitative meaning, with increasing relevance, however (Brinkmann: 60, 68).

3.5 Provider structures in the social economy at a glance - Many worlds shape the picture

In regard to the suppliers, the social economy is shaped like the following:

- Altogether, there are 12.000 out-patient services and 11.600 services of the stationary old people's welfare in Germany.
- 62% of the 12.000 out-patient services are private carriers, 37 % on a free charitable ones and another 2% are public carriers. 55% of the stationary old people's welfare facilities are non-statutory carriers, 40% are private ones and 5% are public carriers.
- There are currently 51.484 day nursery facilities for children in Germany. About 33% of them are maintained publicly and another 67% of the facilities are operated by a non-statutory carrier.

- Furthermore there are around further 32.676 facilities of the children and youth welfare, of which 23.7% are carried publicly and 76.3% non-statutorily.
- No details on facilities of the out-patient services for handicapped people are available in Germany. Older studies estimate 5.000 facilities of the help for handicapped people in Germany (Pflegestatistik 2009; Statistische Ämter des Bundes und der Länder 2011 Statistiken der Kinder- und Jugendhilfe 2011; Care statistics 2009; Statistical offices of the federation and the countries 2011 statistics of the children and youth welfare 2011; own research).

3.6 Digression: Free-profit and social entrepreneurship

The German model of the welfare state is essentially characterized by the "free welfare". It summarizes the entirety of social assistance that is provided free or on non-profit basis in an organized form in the Federal Republic of Germany. Non-statutory welfare distinguishes itself from commercial - profit-oriented - offerings and from offerings of public institutions. The term "freigemeinnütziger Träger" (independent charitable organisations) focuses primarily on the large welfare associations in Germany (see above). A free non-profit organisation focuses primarily on promoting the common good. The welfare status of an institution in Germany is primarily a fiscal matter of fact and is defined by § 52 tax code. It reads:

"A corporate body pursues charitable purposes if its activities are aimed at encouraging the public to be selfless in material, spiritual or ethical terms. Funding for the general public is not given when the number of people, promoting the benefits, is delimited, e.g. belonging to a family or staff of a company, or as a result of his separation, especially for spatial or professional characteristics, is remaining narrow. Funding for the general public is not only given because a corporate body transfers its financial means to a statutory body."

The coexistence of public and non-statutory welfare work in the Federal Republic is unique in the world. More than 1.4 million people have a full-time employment, an estimated 2.5 to 3 million more people have a honorary appointment. The charities are federalist in structure, i.e. its member organisations are mostly legally independent. Basis of the work are different ideological or religious motives and goals. It is common for both associations that they are linked directly to the charity and solidarity of the population.

Much of the non-profit organisations in Germany are legally organized as a registered civil society, with addition of foundations, non-profit cooperations with limited liability (gGmbH), and - rare-social profit corporations. In recent years individuals have established more and more non-profit limited liability companies. These people are also known as social entrepreneurs, as they are targeting their work especially on finding solutions to pressing social problems and not pursue a motive of profit. Social entrepreneurs often cooperate closely with other non-profit organisations or institutions for large charities. In addition to the traditional institutions of the welfare organisations and the "honorary appointment" in the field of social services, they represent a little-known form of organisation of social services in the field of tension between government, business and civil society about the scope, relevance and effects for the social economy and for the economy in general.

3.7 Social economy in Germany - economy statistical approach and methodical notes

The social economy in Germany is not only a central field of public measures to secure one's livelihood, but it is also extremely important for the economy and employment. Depending on the economic sector of the "social economy" the number of employed persons and information on sales or gross value varies. The following report takes into account the sectors of the social economy that are shown in Table 1, which were also included in the calculation of the data on employment and revenue performance in the industry. As outlined, the social economy is linked closely with other sectors, particularly in the segments of public administration, education and health. To access these links in a first survey, the importance of some of the industries was weighted on the basis of existing studies and our own estimates. The basis was of industrial classification tool WZ 2008. The following industries have been drawn in by their respective weights in the analysis:

Table 1: Included economic sectors for the delimitation of "social economy" to WZ/Nace Code 2008

| | |
|---|------------|
| WZ 84120 | |
| Regulation of activities of providing health care, education, cultural services and other social services, excluding social security [factor of weighting: 0,3] | |
| WZ 85101 | |
| Pre-primary education [factor of weighting: 1,0] | |
| WZ 854 | |
| Higher education [factor of weighting: 0,1] | |
| WZ | 869 |
| Other human health activities [factor of weighting: 0,8] | |
| WZ | 87 |
| Residential care activities [factor of weighting: 1,0] | |
| WZ | 88 |
| Social work activities without accomodation [factor of weighting: 1,0] | |

Source: WZ 2008; own representation; evaluation along similar lines to Karmann et.al (2011).

The economic sector 854 "Tertiary and post-secondary, non tertiary lessons" covers universities, general technological highschoools, administration technological highschoools as well as professional academies, special academies and schools of the health service. The economic sector 869 "health services not mentioned elsewhere of [n.a.g.]" consists of practices of psychological psychotherapists and therapists, massage practicesm, physiotherapy practices, practices of medical swimming-pool attendants and pool attendants, midwives and obstetricians as well as of related professions, non-medical practitioner practices as well as other independent activities in the health service. The economic sector 87 "homes" contains nursing homes, stationary facilities of the psychosocial support, facilities for drug-related problems, old people's homes and handicapped person hostels as well as other hostels. The economic sector 88 "welfare" covers the social support of older people and handicapped persons, itinerant social services, other social support of older people and handicapped persons and among others the daytime care of children.

The used weightings cannot claim any general validity. Unlike other economic sectors (e.g. health economy, motor industry, energy industry)

there is till now hardly any study on the social economy in Germany which quantitatively and qualitatively has a good look at the interweaving relations in this line of business, its value-added chains and relations. The weightings carried out in this respect are plausibility assumptions based on sources on hand and assessments of one's own. Altogether, a delimitation on basis of the economic sector statistics is useful to obtain the international comparability of the data. Basis for the composition of the data to the employment level and to the trend in employment was the employment statistics of the federal agency for work (BA). Employees (SvB) with social insurance were included as well as insignificantly employees of the years 2008 -2011.

3.8 Employment in the social economy in Germany - work among women, growth and precarious employment! - The partial industry makes the difference

In the following central results are introduced in regard to the social economy, to the employment level, to the trend in employment as well as to the economic relevance in Germany. Besides the data for the employment subject to social insurance (SvB), insignificant employment, the meaning of part-time job as well as to the woman employment in the social economy in Germany are treated as well. Currently round 28,61 million people (Federal agency for work 2012) are employed with a social insurance in Germany. Therefore every 14th employees in a social insurance in Germany currently is working in the social economy.

1. Development of the employment subject to social insurance (2008-2011):

If one takes all economic sectors mentioned above into account, 2.020.929 people were employed in the social economy in Germany (table 2) in the year 2011. The central pools of employment were the nursing homes (866.042; 43%), the social welfare (616.545; 30.5%) as well as the nursery schools (280.935; 13.9%). In the year 2008 the social economy in Germany did hold 1.739.570 employees with a social insurance. In 2008 the greatest employment shares were allotted to the old people's welfare (774.892), the welfare (496.593) as well as to the nursery schools (242.180). Thus in the time period 2008-2011 an increase of the employment subject to social insurance amounts to a total of + 16,2 % in this line of business. The increases in the partial industries amounts +11,8 in the old people's welfare, +24.1% in the welfare

and +16,3% at the nursing schools and are therefore extremely dynamic.

Table 2: Employment subject to social insurance in the social economy in Germany (2008-2011)

| Economic sectors (WZ 2008) | 2011 | 2008 |
|--|------------------|------------------|
| 84120 Regulation of activities of providing health care, education, cultural services and other services, ex | 25.134 | 25.055 |
| 85101 Pre-primary education | 280.935 | 242.180 |
| 854 Higher education | 29.339 | 25.564 |
| 869 Other human health activities | 202.934 | 175.286 |
| 87 Residential care activities | 866.042 | 774.892 |
| 88 Social work activities without accomodiation | 616.545 | 496.593 |
| Employment (in total) | 2.020.929 | 1.739.570 |

Source: Beschäftigtenstatistik der Bundesagentur für Arbeit (2012); own calculation.

2. Development of the marginal employment (2008-2011)

In the year 2011 altogether 292.147 people were marginal employed in Germany (table 3). Unlike the employment subject to social insurance there are other share distributions in the area of marginal employment. From all marginal employment relations there are 113.370 (38.8%) in the social welfare, 79.466 in the nursing homes (27.2%) and further 60.524 in the health service (20.7%). In the year 2008 the amount of insignificant employment relations in the social economy in Germany was about 270.181. Thus there was an increase of marginal employment relations by +8.1% in the time period 2008 -2011. The dynamics of each development were however quite different which shows table 3.

Table 3: Marginal employment in the social economy in Germany (2008-2011)

| Economic sectors (WZ 2008) | 2011 | 2008 |
|--|----------------|----------------|
| 84120 Regulation of activities of providing health care, education, cultural services and other services, ex | 1.582 | 1.591 |
| 85101 Pre-primary education | 28.955 | 26.665 |
| 854 Higher education | 8.250 | 7.432 |
| 869 Other human health activities | 60.524 | 58.265 |
| 87 Residential care activities | 79.466 | 81.260 |
| 88 Social work activities without accomodiation | 113.370 | 94.968 |
| Employment (in total) | 292.147 | 270.181 |

Source: Beschäftigtenstatistik der Bundesagentur für Arbeit (2012); own calculation.

In the welfare there was an increase of + 19,4 % and in the health service of 3.9%. In the nursery homes there was even a decline of 2,2% in the insignificant employment. To insignificant employment is frequently referred

to as as precarious employment. In certain sections of the social economy there seems to be a different development. The development has been particularly dynamic in the welfare, the one section that in the past often has been considered to have as volatile and non-regulated trading conditions as well as to have a lasting trend towards privatization in Germany.

3. Development of part-time employment in the social economy in Germany (2008-2011):

To show the employment dynamics in the German social economy another central indicator is the development of part-time employment (table 4). The following table on the one hand shows that between 2008 and 2011 the share in part-time employed has increased in all considered sections of the social economy. If the share of part-time employed 2008 still was 42.9%, it was already 45.4% in the year 2011. Altogether, the social economy employment profile is based on part-time employment to a high extent. On the other hand it shows that the meaning of part-time employment varies in the considered sections of this line of business.

Table 4: Part-time employment in the social economy in Germany (absolute and shares in per cent, 2008-2011)

| Economic sectors (WZ 2008) | 2011 | rates | 2008 | rate |
|--|----------------|-------|-------------|----------------|
| 8412 Regulation of activities of providing health care, education, cultural services and other services, exc | 9.810 | | 39,0 | 9.431 |
| 85101 Pre-primary education | 150.845 | | 53,6 | 129.082 |
| 854 Higher education | 13.814 | | 47,1 | 11.399 |
| 869 Other human health activities | 57.114 | | 28,1 | 45.260 |
| 87 Residential care activities | 403.138 | | 46,5 | 333.715 |
| 88 Social work activities without accomodiation | 282.922 | | 45,8 | 217.036 |
| Employment (in total) | 917.643 | | 45,4 | 745.923 |

Source: Beschäftigtenstatistik der Bundesagentur für Arbeit (2012); own calculation.

While in kindergartens in 2011 the share of part-time employed was about 53.6% in the nursing schools, it is only 28.1% in the health service (not others mentioned). To which extend the high importance of part-time employment also effects the articulation of interests and organization of employees cannot be concluded at the moment.

4. Development of female labour in the social economy (2008-2011):

The social and health service is a field which had has high share of female waged work. The following table (table 5) shows that the

part of female labour in the entire industry "social economy" can be estimated around 80.0%. Considerable differences are also recognizable if one compares the various lines of businesses: While a share of female labour of 95.2% is reached at the nursery schools, the share of women is considerably less with merely 49.6% in the area of "tertiary and post-secondary, non tertiary lessons". In the course of time a relatively constant development can be documented in the use of female labour. Furthermore table 6 shows that particularly the insignificant employment has an enormous importance for women in the social economy at present.

Table 5: Female labour employment in the social economy in Germany (employment subject to social insurance, absolute and shares in per cent, 2008-2011)

| Economic sectors (WZ 2008) | 2011 | rate | 2008 | rate |
|--|------------------|-------------|------------------|-------------|
| 8412 Regulation of activities of providing health care, education, cultural services and other services, exc | 17.110 | 68,7 | 17.234 | 68,7 |
| 85101 Pre-primary education | 267.966 | 95,2 | 232.538 | 96,1 |
| 854 Higher education | 14.553 | 49,6 | 12.738 | 49,8 |
| 869 Other human health activities | 148.575 | 73,2 | 129.566 | 73,9 |
| 87 Residential care activities | 689.891 | 79,6 | 615.054 | 79,4 |
| 88 Social work activities without accomodiation | 479.737 | 77,8 | 381.431 | 76,8 |
| Employment (in total) | 1.617.832 | 80,0 | 1.388.561 | 79,8 |

Source: Beschäftigtenstatistik der Bundesagentur für Arbeit (2012); own calculation.

Thus the share of marginal employed women in the social economy was 77,4% in the year 2011 and has increased by +59 percentage points if one compares it to the year 2008 (71,5%). It also becomes clear, that the realized shares in the certain sections of the line of business vary considerably. Particularly the nursery schools (83.1%), the health service (79.1%) and the nursery homes (78.2%) have high shares of marginal employed women. If one compares the various economic sectors, the future trends differentiate here, however: While the economic sector "tertiary and post secondary, not tertiary lessons" could record a decline in insignificant employment with women between 2008 and 2011, the other economic sectors had to record increases here.

Table 6: Development of female labour employment in the social economy (marginal employment, 2008-2011)

| Economic sectors (WZ 2008) | 2011 | rate | 2008 | rate |
|--|----------------|------|-------------|----------------|
| 8412 Regulation of activities of providing health care, education, cultural services and other services, exc | 1.066 | | 67,3 | 1.094 |
| 85101 Pre-primary education | 24.062 | | 83,1 | 2.229 |
| 854 Higher education | 3.893 | | 47,2 | 3.464 |
| 869 Other human health activities | 47.876 | | 79,1 | 47.354 |
| 87 Residential care activities | 62.176 | | 78,2 | 64.957 |
| 88 Social work activities without accomodiation | 86.924 | | 76,7 | 74.141 |
| Employment (in total) | 225.997 | | 77,4 | 193.239 |

Source: Beschäftigtenstatistik der Bundesagentur für Arbeit (2012); own calculation.

3.9 Economic relevance of the social economy

Based on the sales tax statistics there are about 20.000 taxable facilities in the social economy in Germany. Here it must be taken into account that a large part of the facilities of the social economy are not subject to sales tax liability. Data on hand show (here: including the hospital sector) a gross creation of 151 bn € nationwide. This corresponds to a contribution to the complete gross value added of 6.7% (Karmann et al 2011).

3.10 Forecasts for the development of social economy – social economy also streng-thens the national economy

Current forecasts on hand for the development of single sections of the social economy predict a growing demand for professional offers in Germany particularly in the fields health, care and education. The assumptions that it will come to an increase of people in need of care, of development of the children's day support and to an expansion of offers in the area of the domestic services (primarily domestic helps) in future offer basis for this. It was the aim of a current study of the Prognos-Institute to forecast the effects of an expansion of the demand and the supply of social services in the time period 2007-2025 on growth and employment in Germany. The summarized results are: (Dauderstädt 2012):

- Between 2007 and 2025 there is going to be an increase in employment of around 667.000 jobs in the area of social services. Of this 436.000 jobs are allotted to the caring sector, 138.000 on the area of "education" and another 93.000 jobs on the area of the supporting domestic helps.
- In the course of this expansion of offers and employment it will come to an expansion of the costs and the pay in the social economy. The additional expenditure does not have to limit the national economy necessarily, but an expansion of the employment can contribute to

more growth according to larger incomes and thus will lead to more growth overall.

- An expansion of the social services can be growth effective for the whole national economy. Important factors are among others the transformation of housework (e.g. care and child care) into waged work, the generation of new income and higher output of social services also can contribute to a rise of the employment ability.

The area of the old people's welfare can be described as a central growth field of the social economy as the most dynamic and in view of forecasts on hand. The following current forecasts support this:

- The statistical Federal Office has presented a forecast of the manpower requirements and supply (Afentakis/Maier 2010) in care professions up to 2025. If one takes the employment structure 2005 of care professions in whole Germany (respectively the old federal states) as basis, the lack of trained nurses can be estimated as 193.000 or 214.000 health workers ("status quo scenario") and 135.000 or 157.000 health workers ("scenario dropping treatment quotas") up to the year 2025.
- The Institute for labour market and employmental research (IAB) forecasts for the years up to 2030 an increase of 550.000 employees (full time equivalents) (Pohl 2009) in the care sector alone in the scope of the long-term care for elderly people on 1.2 million.
- A forecast of the institute of the German economy (IW) also supports the increasing economic meaning of the care sector. The need for full time employees could triple (Enste/Pimpertz 2008) on about 1.6 million up to the year 2050.

4. Employers' Associations, collective bargaining and social dialogue in Social Services in Germany: A profiling analysis of its systems, institutions and outcomes

4.1 Employer-employee relations in Germany: The general model in the summary

The system of the employer / employees relations is actually regulated quite openly in Germany:

- Employees assemble themselves voluntarily in trade unions. These are ordered by economic sectors and branches of industry. In General one trade union is respectively responsible for a line of business.
- Employers become a member of employers' associations which also are differentiated to economic sectors and branches of industry. In most cases one employer organisation is responsible for a line of business. The associations often fulfill the tasks of an employers' federation as well as the tasks of industry associations.
- Both together - trade unions and employers' associations – conclude collective wage agreements which determine the working conditions and the payment for the staff of the members of the employers' association.
- Central contents of wage agreements are pay and salaries, working times, holiday entitlements, working conditions and regularisations for conclusion and cancellation of employee-employer relationships.
- Basically one distinguishes between skeleton agreements, wage agreements and single issue arrangements. Skeleton agreements regulate the framework conditions of the labour deployment, wage agreements regulate the amount of the pay and salaries, general agreements on employment conditions. Single issue arrangements regulate e.g. gratifications, the holiday and the Christmas gratifications or sometimes also questions of education and further education.
- In the federal republic of Germany skeleton agreements are often concluded supraregional on federal level. Wage agreements refer predominantly to specific sub-regions of the Federal Republic which for the most part embrace one or more federal states. Furthermore there

are also many company agreements, the most prominent in Germany is that one of the Volkswagen AG.

- A wage agreement can be declared as generally binding by the German Ministry of Economic Affairs when being a "public interest". It then applies to all enterprises and employees of a line of business and not only to the employees of enterprises which belong to the employers' association. Employers, bound to collective agreements, have to employ at least the half of the employees falling to the scope of the wage agreement (§ 5, para. 1 no. 1 TVG) as a prerequisite for a general declaration of obligation. Moreover, the employers have a de facto right of veto since the general obligation may be explained with the agreement of the top organisations of the employers and the employees (§ 5, para. 1 set of 1 TVG).
- Wage agreements are negotiated between employers' associations and trade unions. If one does not find any agreement, it comes to labour disputes which may also lead to strikes and lockouts.
- In the enterprises the interests of the employees can be represented by work councils. These are chosen by the employees and have codetermination rights protected legally in many questions, for e.g. the organisation of working time, the manpower planning or regarding the system of the assessments.
- The installation of works councils is often initiated and advocated by unions. Many works committees get furthermore support by officials from the trade unions.
- Beyond the acquirement of rates for pay and working conditions trade unions and employers' associations work together on equal terms in a number of committees, in which they are advising and deciding together with government institutions and further interest organisations about public and half public matters. The central fields of bargaining are: unemployment, retirement and health insurances and the system of control and regulation of the vocational training and education.

In the second half of the 20th century the outlined German system of employer-employee relations has contributed decisively to the high standards of payment and social security and services in Germany in international comparison; additionally there was a comparatively low number of strikes. However, since the middle of the 90s there are significant

changes, which reduce the clarity and relevance of the system of employer-employee relations system in Germany:

- An increasing importance of the decentralised level, i.e. the company level: During the 90s there were approximately 3000 company wage agreements, in 2011 there were almost 7500, that is an increase by 250%.
- There is a firm decline of the number of the employees, that are covered to collective bargaining agreements in the first decade of the 21st century: In 1998 the quota was 76% in Western Germany and 63% in Eastern Germany. The quota has sunk to 63% in the west and to 50% in the east in 2010.
- The implementation of minimum wages in selected lines of business: As a direct reaction to the increasing meaning of badly paid jobs and after controversial scientific and political discussions and changes of the legal conditions it came to the implementation of minimum wages which were passed by the government in agreement with the organized social parties. At the beginning of 2012 there are currently minimum wages for 11 lines of businesses altogether, one of them is the care industry, or being more precisely: The geriatric care and the out-patient care delivery.
- A decline in the importance of corporate participation and decision possibilities of the trade unions and employers' federations: While during the 70s and 80s many basic political decisions were prepared, accompanied and partly also implemented and governed by tripartite structured commissions, the governance structures have become more confusing and more volatile since then. This is especially predominant in the area of the vocational education and training. In the past the control and regulation of the complete system was characterized by trade unions, employers' federations and by the chambers of industry and commerce (or trade corporations) quite decisively; today, the newly developed bachelor and master degrees of the universities set the course, where hardly ever cooperation between trade unions and employers' federations takes place.

The outlined changes of the last 15 years have led to more fragility and partly to a subtle loss of importance of the trade unions and employers' federations in regard to design, control and regulation of economy and work landscape in Germany (cf. Bosch et al 2011, Heinze 2009). They are albeit still important protagonists in the fields of work and social policy as well as in

terms of con-arrangement of wages and working conditions. In future they will remain as such since they are backed up by a comprehensive net of legally secured institutions and routines as well.

4.2 Employer employee relations in the social economy: The peculiar sector-specific features

The system of the employee-employer relations in the social economy resembles the above described facts for the national economy in Germany in many aspects. In case of the change trends - more fragility and sneaking meaning losses - the pendulum swings in the same direction. But there are also some very unusual features, which stamp the change trends lastingly and strengthen them in direct comparison to the national economy. Particularly the following features have to be mentioned as specific to the social sector in Germany:

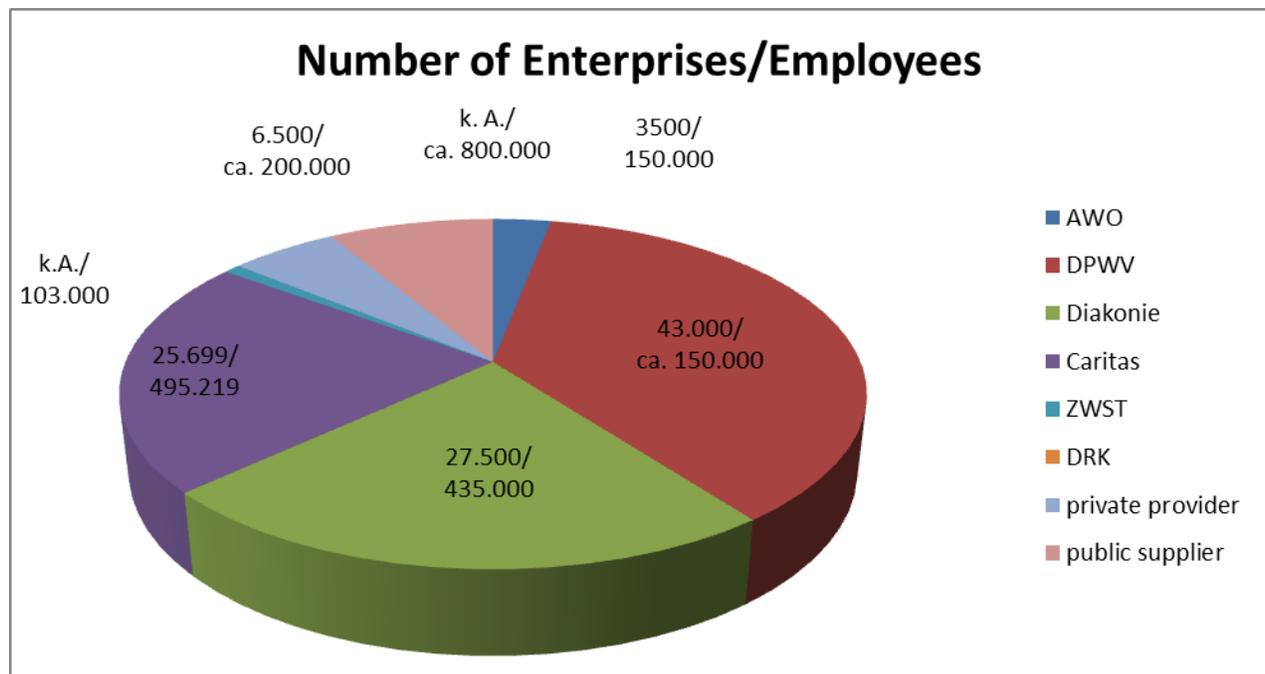
- A large part of the social economy - namely those that are bound to either the Catholic Church Caritas and the Protestant Diakonia - is subject to an independently defined employment and collective labour law, which is enshrined in the canon law. This has many things in common with the public law labour in Germany. As part of the canon law the churches and church organisations have individual labour law design options, backed up by ART. 140 GG (Grundgesetz). The industrial law of the churches brings about, however, serious deviations in view of the social dialog and finding of agreements on pay and working conditions opposite the other conditions in the German economy:
- With respect to collective bargaining - Caritas and Diakonia are talking about labour law agreements - strikes and lockouts are forbidden. Instead, there are exclusive negotiations on equal representation in committees, which can be terminated if no agreement can be found by (multi) arbitration proceedings.
- There are no worker's councils but employee representations (Mitarbeitervertretungen - MAV) at the operational level. Participation rights are quite similar to the worker's council representatives but there also are differences. One would not speak of an overall better or worse position in general, and systematic comparative research on this issue is generally non existend (cf. Jakobi 2007, 79f). Such employee representatives generally have little contact and cooperation relations with the service sector trade union ver.di.

- In collective bargaining processes the employees' side – Caritas and Diakonia often call them "institutionalised service community" (Dienstgemeinschaft) – is not represented by the trade union (service sector trade union ver.di) in the negotiations to 'wage determination', but rather by delegates from groups of employee representatives. These work at the different levels (in company networks, in regions or on the Federal level) and send their representatives to upper-level umbrella associations on the base of different regulatoryies.
- Most other economic sectors in Germany have one employers association. The social economy sector has no less than eight employer associations, and accordingly, eight negotiating arenas in which bargaining contracts are sought and found.

The negotiation arenas have to be distinguished:

- the (non-statutory) Roman Catholic Caritas (holding organisation: German Caritas Association (Deutscher Caritas Verband, DCV.)
- the (non-statutory) Protestant Diakonie (holding organisation: Welfare Service of the Protestant Church in Germany)
- the (non-statutory) Central Welfare Agency of the Jews (ZWST)
- the (non-statutory) Workers's Welfare Service (Arbeiterwohlfahrt, AWO) with its traditional anchorages in the labour movement,
- the (non-statutory) German Red Cross (DRK),
- the (non-statutory) Non-affiliated Charities (Paritätische Wohlfahrtsverband, DPWV)
- Public providers, these primarily on the local one, are partly active also at the regional level, however, and the employer interests are represented by the association of the municipal employers - Verband der Kommunalen Arbeitgeber (VKA),
- Private provider with the federal association of private providers of social services (bpa).

Figure 1: Provider and employees in the sector of social services in Germany



Source: own research and calculation.

Economical speaking it is a fact, that the free non-statutory welfare and private providers dominate the care sector (outpatient care, residential care activities) as the public (social and youth welfare departments, regional authority associations (Landschaftsverbände) with their special hospitals for handicapped persons and mentally ill persons) and confessional providers dominate clearly in the area of child and youth welfare (Kindergarden, leisure amenities etc.).

The mentioned collective bargaining arenas are structured very differently and are presently in transition. Thus the Caritas has succeeded at establishing an open and top-down structured negotiation system within the last few years. However, the world of the welfare and social work still is very strongly characterized by decentralised protagonists and seeks for new ways for more transparency and homogeneity seeks at present. The decentralised strengths, the level of the enterprises and sole proprietorships are very dominant in the DPWV and the private ones. The public ones adapt the results of the wage negotiations for the public service. The united service trade union ver.di represents the employees' side in all non-christian negotiation arenas. In the world of the Caritas and Diakonie ver.di is looking till now for new ways to shape the representation of interests, however, with

only modest success. Merely in two rather smaller negotiation regions (Nordelbien, Berlin-Brandenburg-Oberlausitz) ver.di sits at the table as negotiation partner, but has to accept the fact, that strikes are prohibited. The competition in social services has intensified considerably within the last two decades. A large part of the purchases for social services comes from public customers. There used to be refunds for the providers for their services based on confirmed service price catalogues. Meanwhile, the orders are put out to tender and awarded to the most reasonably priced provider. This award practice has increased the competition in the social economy considerably and contributed to a growing group of strong private providers (v. a. opposite the non-statutory sector) and has led to economic problem of the providers to the point of take-overs, insolvencies and bankruptcies.

4.3 The world of the wage rates, collective bargaining and agreements in the social economy

According to the findings of this study the outlined eight collective bargaining systems in the social economy produce a variety of collective agreements and labour law regulations on different levels (e.g. federation; federal states, corporations and enterprises). Neither the official collective bargaining archive of the Federal Ministry of Labour, the archive of the Economic and Social Research Institute (WSI), nor the collective bargaining register of the service sector trade union ver.di has a resilient overview. Up to now, this situation has not been adequately described and evaluated. The research for this project is based on the sources mentioned above. Supplementary research, interviews as well as internet search, has been done in cooperation with the respective institutional organisations (see above). Based on this work it has to be considered as facts,

- that there are approximately 1.430 wage settlements and agreements in the social service sector.
- that about 1.300 of them are assigned to the non-church arenas and approx. 130 are assigned to the church negotiation arenas.
- that of the 1.430 bargaining agreements 218 are skeleton agreements, 253 are wage agreements and 840 are single issue arrangements.
- that a lot of the agreements are emergency agreements due to the rescue of an enterprise which got into economic difficulties.

With regard to the adherence of collective bargaining agreements one can go back to the data of the business panel of the Institute for labour market and employment research (IAB) (see Bispinck among others 2012, Kap.1.7). The industry-specific definitions used there cannot be completely brought into congruence in terms of the definition of social economy in the present study and in the complete PESSIS project, though. Based on assessments from expert interviews we nevertheless assume that the IAB data to the lines of business health and education and teaching corresponds broadly with definition of PESSIS. Therefore:

- 32% of the enterprises and 52% of the employees are covered by industry-specific wage agreements,
- 5% of the enterprises and 11% of the employees are covered by house or company wage agreements,
- and 63% of the enterprises as well as 37% of the employees work without an involvement in collective bargaining agreements.

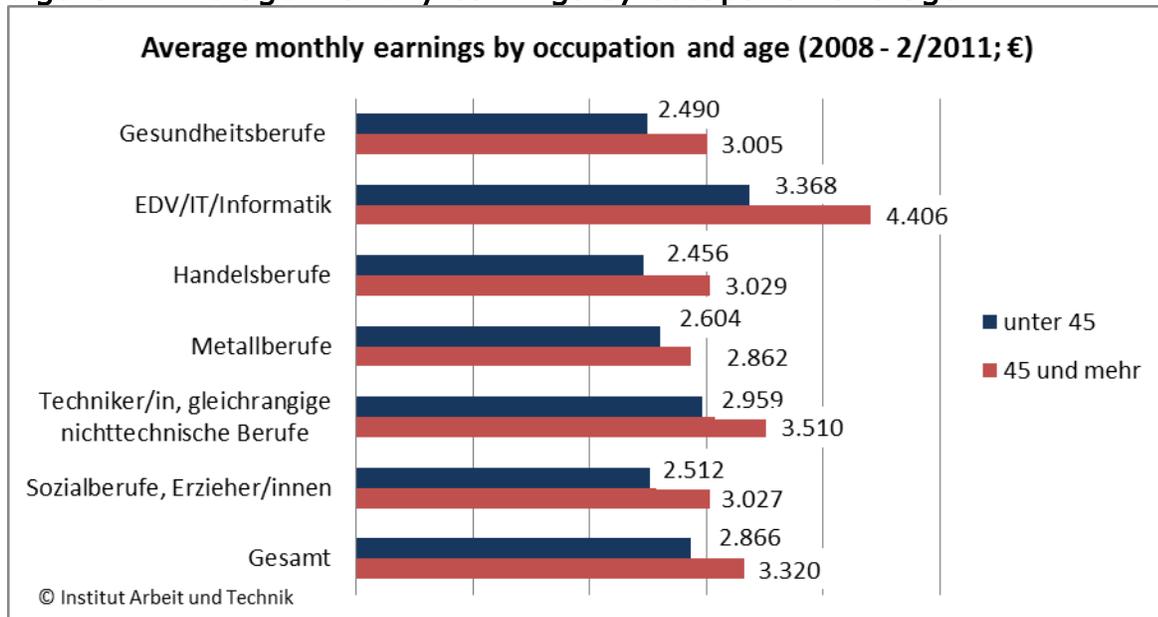
Thus the adherence of collective bargaining agreements in the social economy is tightly over the average of the German economy but also considerably lower compared to established lines of business such as the building and construction, trade or the finance and insurance services. In addition one has to say that the supplementary expert interviews pointed to great differences between the different negotiation systems of the social economy for the present project. So the Caritas and Diakonia refer to an adherence of collective bargaining agreements of over 90% (also see the statements on the Bundestag hearing 2012) while the private providers assume that far more than 80% of the employees is working without any collective bargaining agreement.

Data about the membership rate of facilities and enterprises in employer associations of the social economy are not available. However, one can assume that the membership density ratio corresponds roughly to the quota of tariff coverage for the enterprises. This means that approximately about one third of the enterprises belong to an employers' association. It is to assume that particularly smaller private enterprises do not belong to any employers' association. With the non-statutory providers however the membership density ratio is at almost 100%.

Details, how many per cent of the employees in the social economy are member of the responsible united service sector trade union ver.di are not available also. The estimates in the expert discussions reaches from 3 to

10%. On the employers' side the degree of organisation is clearly below the average of the German national economy of 14% (European Social Survey, <http://www.iwkoeln.de/de/infodienste/gewerkschaftsspiegel>).

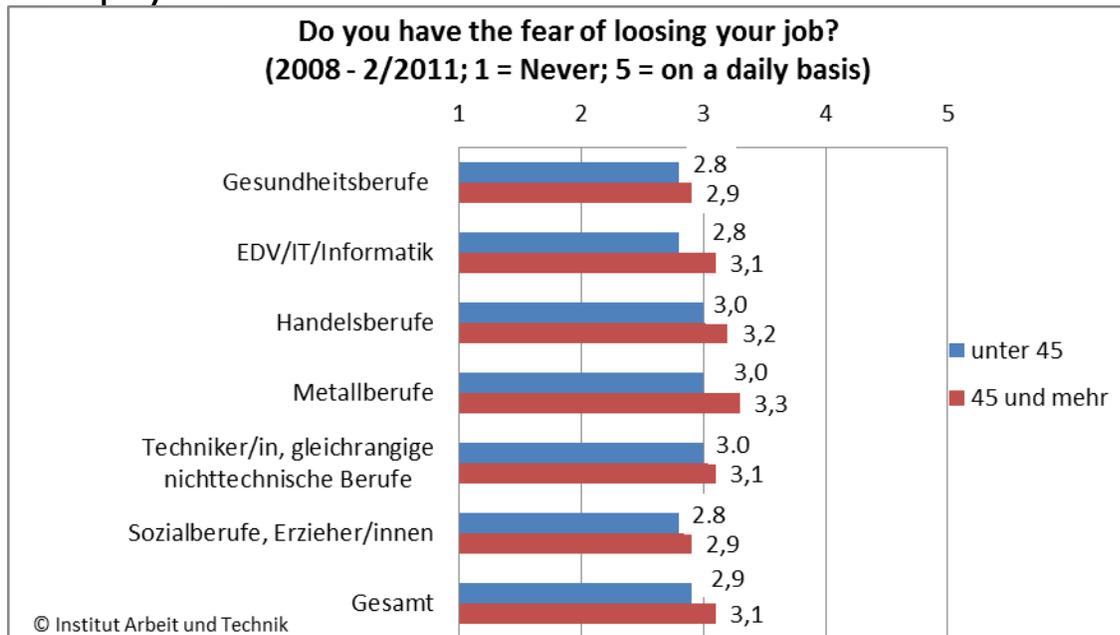
To give a concise view of the income and working conditions is also difficult as there is no sufficient data, especially in comparison with other lines of businesses; when they are outlined they encounter methodological caveats. Thus the data which was presented by the Caritas and the Diakonie in the context of a hearing in the German Bundestag was criticized by the Workers' Welfare Service. However, an analysis of the LohnSpiegel, which recently has been presented by Evans u.a. (2012) can be used as rough orientation, as it was made for the lines of business health (inclusive of geriatric care), as well as for caring professions/educators. On its basis one can conclude that the average monthly income in the social economy is approx. 10 - 15 % below the average values of the national economy in Germany.

Figure 2: Average monthly earnings by occupation and age

- Gesundheitsberufe = Work in the health sector
- EDV/IT/Informatik = IT/Computer Science
- Handelsberufe = Trade business
- Metallberufe = Metal-working industry
- Techniker/in, gleichrangig nichttechnische Berufe = Technicians and jobs with equal rank
- Sozialberufe, Erzieher/inner = Social Work, kindergarten teacher
- Gesamt = All together

With regard to the working conditions the social economy stands obviously on the shady side of the business life as well (measured against the stress perception or the fear of losing the job).

Figure 3: Job security in the professional inter-group comparison and by age of employees



There are albeit very great differences within the social economy. Incomes and working conditions in the field of the care for the elderly and that of the child care are especially tenuous.

4.4 Topics of the regular social dialog

During the representative interviews as well as on the checking of central statements from the social economy a number of topics stood out and give a immediate reference to the employer-employee relations in this line of business. The following aspects played a important role in this:

- The social economy is already today a great economic factor and can be regarded as lines of business with great growth and employment potentials for the future. The line of business needs a self-confident and offensive representation of interests to be able to realize these future chances. The different worlds of the social economy should cooperate and also seek for the cooperation between employer associations and trade unions here. An aim will be that more remedies for social services should be called in by the public hand as well as from the national insurances.
- Unemployment has sunk considerably in Germany within the last few years. There is already a qualified employee deficit in some employment fields and regions. All interviewed experts agreed that

we have to find new ways to make the jobs more attractive in the social economy. Otherwise disadvantages could threaten the competition for workers with other lines of business in the future.

- It is uncontentional that the pay and working conditions are very bad in some areas - primarily in the old people's welfare and at the support of small children. The search for new ways to upgrading of the work is particularly high in these areas.
- Another answer to the threatening shortage of labour is to gain to new target groups for the work in the social economy, i.e. people who do not show interest in work in this line of business till now or do not have the appropriate knowledge or skills. Address, training and integration concepts must be developed - at the best for the entire line of business and in agreement with the trade unions and the other employee persons representing the interests for these new target groups.
- Some experts also pointed out new ways of the labour organisation and the technology use to search to make the deployment of labour both better and more efficient. The Diakonie had a special event in Berlin with the topic technology use in the geriatric care at the beginning of May 2012.
- At the search for workers but also at the development of new offers and business fields enterprises of the social economy get increasingly active abroad. The attention increases for inter- and supranational future trends and authorities corresponding for decisions through this. Refreshment and standardisation of the representation of interests are seen as particularly desirable in the EU.
- The education and further education for the professions of the social economy has got into movement within the last few years. Thus some professions of the social economy are meanwhile trained (as result of the Bologna process) as bachelor qualification at universities. More transparency and coordination was called in by several experts at the development of new job outlines.
- The service sector trade union ver.di as well as some political parties (Die Linke, SPD) have the opinion to check the special rights of church-near providers, if necessary even to abolish them. This discussion found its temporary highlight in a hearing in the German

Bundestag, as it was put on the agenda by the parliamentary group Die Linke. In connection with these debates it is questioned how to standardise the system of the employer-employee relations more strongly and to foster a social dialog about future questions of the social economy. In connection with this the AWO suggests the introduction of one uniform industry-specific wage agreement which then can be declared generally binding by the Federal Government.

Although the technical necessities of a Social Dialog are seen clearly in all 'worlds' of the social economy, there is (yet) no unified picture about the ways to procure it. Perhaps an external stimulus could be necessary to help along here. Some of the interviewed experts hoped, that the PESSIS project could work in this meaning.

4.5 Summarising complete interpretation

In the summarising complete interpretation it stands out that the system of the employee employer relations is very strongly fragmented, even rugged in the social economy. It probably is not even justified to speak about a "system". Figuratively speaking it rather consists of eight different partial worlds which form a confused, not yet completely mapped archipelago of systems isolated by each other, which then produces an atomistic landscape of bargains and agreements. A result of this various and little structured world is that pay and income conditions in this line of business could undermine their performance and competitiveness in the long run. It is recognized by many protagonists and responsibility carriers in the social economy that there is a large renewal need in terms of upgrading the work towards more homogeneity and transparency as well as in the direction of unity. However, this social dialog is not present sector wide, rather in some isolated worlds at coincidental meetings - any miracle therefore, that the effects fall flat largely.

5. Conclusions and Challenges: „Sociosclerosis“: Employer-employee relations in German Social Services at the crossroads

During the enquiries and expert interviews for the German country study PESSIS ("Promoting Employers' of Social services Organisations in Social Dialogue") project it got bit by bit clear that the social economy in Germany is in a difficult situation, perhaps even in a crisis. Without a doubt it is an industry with crisp prospects on more growth and employment. However, it runs the risk of being not able to realize these great prospects.

Social economy has difficulties in lobbying itself uniformly and strongly and it is also having problems to appear as a line of business with attractive jobs. Because of this it must be afraid again and again that public and quasi-public funds are cut for the financing of the welfare state and hence for the financing of its offers; this means disadvantages in the competition for qualified employees in the long run.

It is reason for these difficulties that the line of business is organized badly both at the employers' side and on the part of the employees. Although at the employees' side it adds an industrywidely responsible trade union with ver.di, the degree of unionization, however, is (at the Caritas, the Diakonie and with large parts at the private providers) low and also the cooperation possibilities in large portions of this line of business is extremely restricted. At the employers' side there is no uniform organisation at all, eight different negotiation arenas search for bargains and agreements instead. Due to its organisational fragmentation in Germany the social economy can be described as "braked by its own bonds".

In analogy to debates in Europe during the 70s and 80s about "Eurosclerosis" - the European economy stagnated because its future abilities were stuck in a brushwood of non-compatible regulations - one could talk about "Sociosclerosis" in the German social economy. Although the social economy has extremely high future potentials, it, however, cannot develop these due to its socio-institutional fundaments.

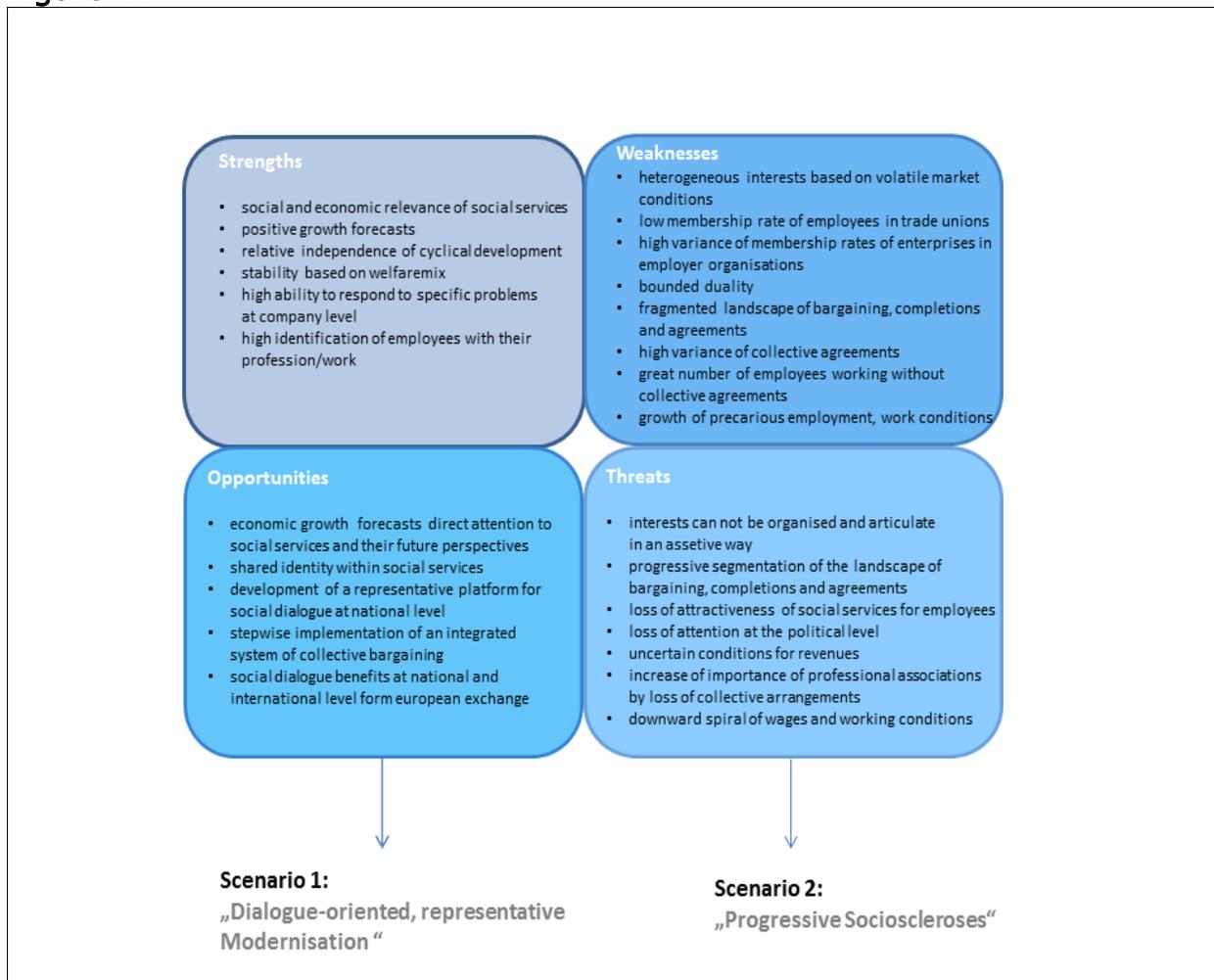
The "Eurosclerosis" had been overcome with the "Single European Act" in 1986. This was a step which was conscious and planned by farsighted politicians towards the widening and deepening of the European integration. Will the responsible parties be able to comparably courageous steps in the German social economy? The goal can only be achieved through the

development and expansion of organized social dialogue at a national level. Impulses from a European social dialogue can thereby be orientation and encouragement.

6. SWOT-Analyses of Social Dialogue in Social Services in Germany

The following figure sums on the basis of the results described the strengths, weaknesses, opportunities and threats along the social economy with a view on the social dialogue and aggregates the results in two scenarios, as a "dialogical-representative modernization" (Scenario 1) and "Progressive Sociosclerosis" (Scenario 2) respectively. With regard to the "social dialogue" the social economy is particular strong with its positive growth prospects and the economic stability of the industry. The welfare mix of public, non-statutory and private providers have proven themselves as a stabilizing element in the German model of the welfare state.

Figure 4:



Source: Own Presentation

The importance of collective bargaining / labour agreements at company level is a strength of the social economy; in the sense that this way enables a high ability to response and to adapt at enterprise level. On the other hand, however, the fragmented landscape of negotiation, the variance of the high level of organization of employers and the low level of organization on the employee side will all nourish the problem of "Sociosclerosis "in the social economy. All protagonists are in the challenge for responsible modernization and the "social dialogue" is the key instrument for this purpose. As part of a dialogue-representative modernization, the basic positive growth prospects for the industry through sustainable collective bargaining agreements and working conditions will be supported.

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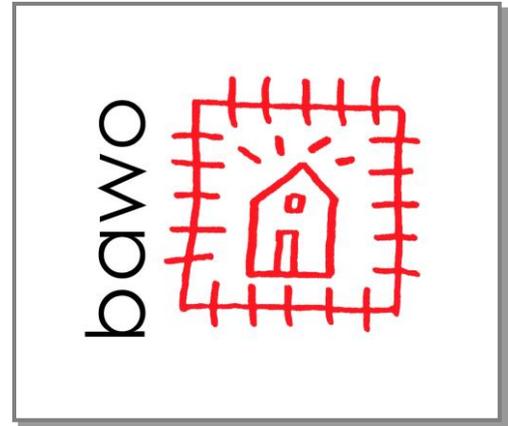
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Annex

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National Report Austria



CHRISTIAN PERL

BAWO



Supported by: DG Employment, Social Affairs and Inclusion

Social Dialogue in the Health and Social Service Sector Austrian Report

1. Preface

2.1 Project PESSIS: Promoting Employers' Social Services In Social Dialogue

The aim of the research project 'Project PESSIS is to provide a detailed understanding of how social dialogue is organized and structured (or not) in the social services sector in Europe. It aims to identify barriers to increased cooperation among employers in the sector. The term social dialogue is defined as 'a dialogue between employers and employees'. Eleven national studies will contribute to an overall European perspective of social dialogue in the social services sector, outlined in the European summary report. Each national report presents a 'picture' of how social dialogue is organized at local, regional and national levels and has addressed the following six research questions:

1. What is the size of the social services sector, both in terms of workforce and of employers in aggregated value?
2. How well represented is the sector in terms of number of employers and workers covered by collective agreements?
3. What are the types of social dialogue or collective agreements that exist?
4. How many employers of the sector are involved in social dialogue and at what level?
5. What are the key labour issues dealt with and at what level?
6. Are there any labour issues that could be dealt with at European Union (EU) level?

Social services' is a term that can be interpreted in different ways across Europe but for the PESSIS project, the key groups included are:

- Long-term care for older people;
- Care and rehabilitation for people with disabilities;

- Child care.

Social services' may also cover a range of other services, for example, services for homeless people. These have been included only when they have particularly strong systems of social dialogue. The main focus of each national report is on the three key groups listed above.

The terms public, for-profit and not-for profit sectors are widely used across Europe. In the PESSIS project they are defined as:

Public sector – Government departments, public sector agencies or municipal authorities commission social services in many countries and contract for-profit and / or not-for profit providers to deliver social services. In some countries, social services may still be delivered by municipal or regional government authorities. Public authorities (national, region or local government) may fund social services by providing money directly to individuals. For the use of this Austrian report the term "public sector" applies to circumstances where social services are delivered by national, regional or municipal public authorities or public sector agencies themselves.

For-profit sector – Providers of social services which operate to make a profit. They may operate with shareholders or they may be private companies, owned by one or more individuals. In some countries, family businesses deliver social services. They may be large or small in size.

Not-for-profit sector – Providers of social services, which do not operate to make a profit. In some countries this sector may be called the voluntary or charitable sector. In some countries, volunteers deliver some of the services for the not-for-profit sector.

1.3 PESSIS in Austria

In Austria „BAWO – Bundesarbeitsgemeinschaft Wohnungslosenhilfe“ is the project partner for PESSIS and responsible for the country report. BAWO is the umbrella organization of Non Governmental social service providers working with the homeless in Austria. The association is independent of any political party or confession. BAWO has about 150 members, of which 50 are service providers offering emergency-, developmental- and long-term social services across all Austrian provinces. The aim is to acquire decent and affordable housing for everyone. BAWO members are active in social dialogue at national, regional and local level.

1.4 Methods and design

Firstly a survey of the legal and socio-political framework of the social dialog in Austria was carried out. Further more the dimension, in regard to the numbers of employees and employers and the economic importance were investigated. These numbers can be seen as an approximation, as there are not sufficient data available.

In addition to that and to find out about the most important aspects of social dialogue on national and for the European level, interviews with major stakeholders were carried out. These interviews were mostly done within a national workshop with a broad regional participation of representatives of BAWO. These findings were supplemented with individual interviews with leading representatives of big Austrian employers' associations and one employees' representative from the public sector. Because of this approach, a quite remarkable number of collective agreements in the social service sector could be included within the analysis. These interviews were carried out in the period from January to April 2012, subsequently transcribed and interpreted with the qualitative content analysis by Mayring (2008).

The report is structured into seven chapters. The preface gives some background information on the PESSIS project in Europe and Austria. This is followed by a brief overview on the economic importance of the health – and social service sector in Austria, a description of the Austrian model of the social partnership and the framework of social dialogue given by the Labour Constitution Act. Furthermore the report outlines the historical changes and the most important topics in regard to social dialog in the social service sector in Austria. The results of the national workshop with the discussion session and the expert interviews are described in chapter four and five. Last but not least a short good practice analysis and recommendations for the European level are summarized.

It gives me great pleasure in acknowledging the support and help of Mag. (FH) Andrea Viertelmayr for her detailed and thoughtful review of the report, the worth while feedback and comments on the form and content.

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2. The Health and Social Service Sector in Austria – a Future Industry?

The health and social service sector in Europe is seen as future industry with “great growth dynamic and extraordinary job growth perspectives for future decades” (Hilbert et al 2012). In 2011 385.400 employees in Austria defined themselves as working in the public, for-profit or not-for-profit health and social service sector (Statistik Austria, 2012a, p.33). Gruber (2012) president of the largest Austrian employers’ association in the social service sector “Sozialwirtschaft Österreich” quantifies the average compound annual growth rate (CAGR) of employment in the sector (2004 – 2010) with 3,35 %. This rate is therefore 2 percentage points higher than the average CAGR of all the sectors together in the same period that amounts to 1,32 % (Gruber 2012).

In relation to the number of employees, the health and social service sector is the third largest sector in Austria, coming right after the production of goods with 653.900 employees and the sector commerce/ maintenance and repair with 629.100 employees (Statistik Austria, 2012a, p.33). The proportion of female employees is the highest of all sectors (77,1 %) as is the proportion of part time employment (42,9 %). (Knittler 2011, p.1102) There is a high need of additional qualified personnel, especially in the field of long term care. In this sector the need for additional employees is estimated with around 20.000 until 2025 (Interview Harreither, 2012). The figures specified above relate to health and social services’ employees in all of the sectors, be it public, for-profit or not-for-profit. Meyer et al (2010) specify the amount of workforce in the Austrian non-for-profit sector as follows:

„As a result in the Austrian not-for-profit sector there are 170.000 persons employed. Both the proportion of female workers and the proportion of part time employment are comparatively high. In the third sector social services in a broader sense (care, medical institutions, rescue services, welfare) are the largest services by far, covering around 60 % of all employees. Also the largest organisations of the sector mainly operate in this field: Caritas und the Red Cross, each with more than 10.000 employees and a multitude of voluntary workers.“

In relation to the gross value added, the health and social service sector is also accounting with increase in value above-average. Since 1995 the gross value added of the sector in basic prices increased from circ. 18,1 bn. EUR up to 30,6 bn. EUR. This is an increase of 70 % and therefore 5 percentage points higher than the accumulated increase of the gross value added of all the sectors together (Statistik Austria 2012b, p.313-314.)

The data available in Austria are dissatisfactory to this point as they do not separate the health and social service sector in a public part on the one hand and in a profit and a not-for-profit part on the other hand. A unitary definition of what is meant by the "health and social service sector" and which occupational groups are covered by this term seems to be missing. Reliable research on the size and importance of the health and social service sector could not be found. The cited data therefore can just be seen as guidance value and are not sufficient.

Meyer et al (2010) state in their article on the Austrian not-for-profit sector: „So important the not-for-profit sector is for the Austrian economy and society so fragmentary is the available information. There is still no "satellite account" for NPOs in the national accounts."

For further information on the quantitative picture also see Badelt et al (2007, p 63-79). More key data and operating figures on the economic relevance and employment of the not-for-profit sector can be found in Meyer et al (2010).

Especially the high part time employment rate and the high need of additional qualified personnel in the care sector, show the challenges of the future. Nearly all of the interviewed employers state how important it is to succeed in the competition for qualified employees. It is of high importance to make the social sector attractive and to prove it as a valuable and worthy sector (Interviews Fenninger, Gruber, Necina 2012).

3. Social Dialogue in Austria

Social dialogue defined as a dialogue between employers and employees, in Austria mainly takes place at three different levels:

- Firstly the so called economic and social partners are being involved by the government in the origination process of labour laws in Austria and already therefore have a quite important role in the regulation of labour conditions.

- Secondly, “in addition to the legal regulations essential fields of the working conditions (particularly payment, flexible organization of working time, supplementary premium) are regulated and negotiated through collective agreements between employers’ and employees’ associations.” (bmask 2010)
- Thirdly “At company level, the interests of employed persons are represented by works councils or—in the public sector—by staff representatives... Under the collective agreements negotiated annually by individual industry unions, they conclude agreements with their companies which may exceed—but not fall short of—the levels laid down by collective bargaining” (Austrian Trade Union Federation 2010, p. 4)

3.1 The Austrian Model of Economic and Social Partnership

Social dialogue in Austria – seen as dialogue between employers and employees – is realized in the frame of an institutionalized system of close cooperation of the economic and social partners. This voluntary and informal system is called “social partnership”. The regulation of working relationships through collective agreements, issuing of a statute and minimum wage agreements all going beyond company level is one of the main tasks of the social partnership in Austria. “Austria has a collective agreement coverage of more than 95 %, which has contributed to considerable income security and to equal conditions for the competition of the businesses” (Austrian Trade Union Federation, 2010, p.6).

According to the self definition of the Austrian social partners (Die Sozialpartner Österreich, n.d.) the social partnership does not deal with industrial relations alone:

„What distinguishes the Austrian social partnership is that it extends to practically all areas of economic and social policy. For this reason Austria is considered an excellent example of corporatism, i.e., comprehensive and coordinated representation of group interests”.

Social partnership is comprised of the following four associations:

- Austrian Trade Union Federation

- Federal Chamber of Labour
- Austrian Federal Economic Chamber
- Conference of Presidents of the Austrian Chambers of Agriculture

„Social partnership is based on the comprehension that conflicts of interest can be solved through dialogue and that there can be a balancing of economical and social interests through compromise“ (ÖGUT 2012).

3.2 Collective Agreements as an Instrument of Social Dialogue

Collective agreements are an important instrument in the Austrian system as here industrial relations are shaped more closely in a dialogue beyond company level. The ministry of labour, social affairs and consumer protection (bmask 2012) describes the nature of a collective agreement as follows:

„In Austria in addition to the legal regulations essential fields of the working conditions (particularly payment, flexible organization of working time, supplementary premium) are regulated and negotiated through collective agreements between employers’ and employees’ representatives. Thus certain minimum wages and minimum standards should be accomplished – without involving the state.

The Austrian Labour Relations Act defines the scope of areas to be negotiated and some of the basic conditions (e.g. collective bargaining ability). With regard to the content, the partners of a collective agreement are largely unbound in negotiating the area of wage policy. Some legal frameworks (e.g. principle of equal treatment) must be observed though. Collective agreements are contracts concluded by authorised corporate bodies of the employers’ side on the one hand and of the employees’ side on the other. For the main part collective agreements regulate mutual rights and obligations emanating from the employment“.

The Austrian system is characterized by the fact that only specified interest groups and professional organizations can be involved in social dialogue. Only those organizations are authorized to conclude collective agreements that have been recognized either directly by law or by the Federal Arbitration Office (Ministry of Labour, Social Affairs and Consumer Protection).

By law, employers’ and employees’ associations are then able to enter into collective agreements, "... if they meet the requirements of opponents-independency and the regulation of working conditions is one of their core responsibilities. These are the Federal Chamber of Labour on employees’

side, the Austrian Federal Economic Chamber and their professional sub-organizations on employers' side as well as a series of chambers of the independent professions." (BMASK, 2012)

Voluntary professional associations of employers and employees are then able to enter into collective agreements if they meet certain criteria and the Federal Arbitration Office adjudicates their collective negotiating powers. This includes, amongst others, that the professional organization is operating in a wider geographical and technical scope, and economic importance is incumbent upon them on the basis of their broad membership and scope of activity. Because of this restriction an inflation of the number of approved professional bodies and therefore also collective agreements concluded, can be prevented - as they are described for example for Germany (Hilbert et al 2012).

The most important voluntary professional organizations are Austrian Trade Union Federation on the employees' side and the Federation of Austrian Industries on the employers' side. In the health and social sector the „Berufsvereinigung von Arbeitgebern für Gesundheits- und Sozialberufe“ (BAGS) has been approved an employers' collective negotiating body in 1997. In 2012 BAGS has been renamed „Sozialwirtschaft Österreich“

3.3 Works Councils

“At company level, the interests of employed persons are represented by works councils or—in the public sector—by staff representatives. For companies having more than five employees the Labour Constitution Act stipulates that a works council or staff representative be elected every four years. All employees are entitled to vote, not just trade union members. Works council members have special protection from dismissal. At company level they have clearly defined participation, information, intervention, and supervision rights. Under the collective agreements negotiated annually by individual industry unions, they conclude agreements with their companies which may exceed—but not fall short of—the levels laid down by collective bargaining” (Austrian Trade Union Federation 2010, p. 4)

4. Social Dialogue in Austria

4.1 Unification of the Social Dialogue

The existence of a standard collective agreement that covers the whole profit- and not-for-profit health and social service sector in Austria is especially seen by the employer side as an important element to avoid wage

– and salary dumping. Standardized regulations lead to fair and equal conditions of competition for all of the businesses and institutions involved (Interview Fenninger, Interview Gruber 2012).

In 1997 a voluntary professional association of employers, the BAGS, was founded mainly to unify the health and social service sector in Austria that was previously fragmented across multiple industries, and to negotiate one single collective agreement,. However, the final compromise for the collective agreement within the sector happened historically seen quite late, namely in 2003. BAGS was renamed "Sozialwirtschaft Österreich" in 2012

Further important aims of the Sozialwirtschaft Österreich (2012) are:

- negotiations with the public authorities to represent the interests of the members,
- economic safety and the emancipation of the third sector,
- strengthening and better positioning of the professions in the health and social service sector,
- Quality management.

In October 1997 the Federal Arbitration Office adjudicated collective negotiating powers to BAGS that could conclude from that time on all collective agreements for all of the health and social service sectors. BAGS started negotiations with the trade union for the private employees (now GPA-DJP) and with the union Vida. The aim was to complete one single nationwide collective agreement for the full range of health and social services, including the disability sector, child and youth welfare and labour market policy services.

The complexity of the collective agreement unification, resulting from partly historically developed, industry-specific and regional differences can be seen in two different aspects: The first one is shown by the relatively long negotiation period until December 2003. The second one is shown by the "...

sophisticated system of transitional arrangements...until 2019" (Bödenauer et al 2009, p.7).

According to recent information from the website of Sozialwirtschaft Österreich (2012) „...the collective agreement is valid for more than 300 member organizations nationwide. These organizations provide their services with more than 41.600 employees.” Bödenauer et al assume at least for 2009, „...that European-wide there was no collective agreement for the private social service sector that included as many employees as the BAGS – collective agreement.”

4.2 Statute of the BAGS collective agreement

The aim of “Sozialwirtschaft Österreich” was, to let the BAGS collective agreement be declared as a statute by the Federal Arbitration Office. Through this legal act a collective agreement is awarded binding legal obligation outside of its original sphere. "The purpose of this legal instrument is to provide employees, who are not provided with any collective agreement from their employer side, with the benefit of a collective scheme" (Schwarz/Löschnigg 2000, p. 114). That goal was, for the first time, established on 1st of May 2006 whereby the scope of the BAGS collective agreement has been extended to organizations that are not members of the BAGS (Sozialwirtschaft Österreich 2012). With this step equal working conditions for the same functions in the same industry were achieved. BAGS collective agreement therefore is valid for the whole profit and not-for profit social service sector in Austria.

Being declared statute, the collective agreement BAGS is "... in Austria, the only collective agreement providing regulations for the entire health sector, social services sector, disability sector, child and youth welfare services and labour market services. Currently, in these areas, around 90,000 people are employed...

Being declared statute the BAGS collective agreement takes the place of subgroup contracts of various organizations and professional groups in the Austrian provinces and replaces more than 200 different company arrangements. For 60 social professions it creates minimum standards that must not be fallen short of. Already existing favourable provisions remain valid though" (Sozialwirtschaft Österreich 2012).

This positive assessment of the statute as a standardizing instrument is not equally shared by all of all stakeholders in all provinces. A participant of the

national workshop on 12th of March 2012 criticized that the regional conditions are not taken into account sufficiently.

4.3 Contents of the BAGS collective agreement

Main contents of the collective agreement BAGS (2012) are particular regulations on working hours and wages. As part of the regulations on working hours the normal weekly working hours and their spreading, part-time work, overtime, standby, rest periods and vacation are regulated.

The provisions related to wages include, amongst others, the classification schemes according to occupational groups and the establishment of a minimum basic salary for these groups according to salary scales.

Further more fringe benefits and surcharges, the crediting of years of prior employment and the continued payment of salary during vacation are regulated. Provisions for training, supervision, sabbatical, retirement and termination of employment complete the guidelines (BAGS 2012).

According to the social partners, which were involved during the negotiations, the standardization of salaries has been the core topic within the collective agreement. What "... on the other hand leads to considerable difficulties in the implementation and the applicability" (Bödenauer et al 2009, p. 7).

In the preface of Löschnigg/Resch, Bödenauer et al (2009) describe the key issues as followed: "The collective agreement provides a contemporary wage structure, as well as the requirements for flexible working hours in connection with a reduction in working hours to 38 hours a week. The collective agreement includes mechanisms against „burn-out phenomenon", provides enhanced protection for part-time employees and improves the vacation policy. "(p.7)

The difficulties of the unification of existing wage systems described above, has been confirmed several times by stakeholders at the national workshop on 12th of March (BAWO 2012). Several participants from various provinces reported a change for the worse in wages since the introduction of the BAGS collective agreement. In one social service in Tyrol it was described as an introduction of a two class system: The higher-paid employees covered by the old agreement and the lower-paid employees covered by the BAGS collective agreement.

As a particular problem the participants of the workshop mentioned the "negative looping in" of the wage system. This means that employees who were classified within a higher wage level can remain in the old wage scale, but their salary increase is less, until their wage is the same as it would be within the BAGS collective agreement. As a further weakness of the collective agreement, which affects the wages in a quite negative way, the participants of the workshop described the lack of descriptions in regard to the occupational group and the lack of sufficient recognition of years of prior employment.

Improvements of the wage system occurred in the disability sector and for all those who previously earned very little. In the area of the homeless sector, it was a real improvement for those employees who work in night shifts. In the province Upper Austria around 90% of the staff decided immediately - because of a monetary improvement - to change into the BAGS scheme.

The introduction of occupational groups was in the national BAWO workshop in general seen as a positive development. However, the intermingling of the classification according to work content with the classification according to educational background has been criticized. This would create some problems in interpretation and implementation. This would, especially in the social services sector provided for the homeless, lead to the creation of vocational descriptions with a lower educational level as before. These descriptions correspond to a lower job category and therefore a lower wage. The local and regional authorities and funding bodies would then determine that these lower educated employees can work in any service provided for the homeless. All in all this leads to a financial and quality downgrading of the homeless sector.

Almost every participant of the national workshop and the interviews mentioned as a major problem the interaction between collective bargaining and public procurement and payment for the social services. Although the collective agreement defines that favourable existing provisions should continue, the authorities are only willing to pay the costs for the cheaper BAGS wages. Some social services were recommended already to carry out "restructurings" in order to pay wages on BAGS level which means nothing less than they were recommended dismissal of staff.

One participant of the national stakeholder workshop criticized: „Although the BAGS collective agreement is a minimum wage tariff, by the funding

bodies it is treated as if it would be a maximum wage rate. The authorities do not pay more for the services delegated."

Sepp Ginner, Chairman of the BAWO formulated this as follows: "Social services are dependent to 100% on the funding bodies. There is very little tolerance and space to move. There are quite some requirements that were formulated in BAGS collective agreement, but are ignored by the authorities. For example: if there are existing old agreements which are better than the BAGS, these agreements should stay in action. This is completely ignored by the funding bodies. Secondly, the labour grading of new employees within the BAGS is too restrictive. The provinces use that, to recommend the institutions, to employ cheaper employees. These are the two major pitfalls."

Erich Fenninger, deputy chairman of "Sozialwirtschaft Österreich" addresses the triangle employer – employee and funding body in his interview as follows: "That's right, that makes the difference in the social sector. Why? Because in the private sector of the economy employers are quite free in their decisions. Free in their design of a product developed, the quality and the price offered.

This means that a producer or a trader can decide how the product is launched: Which product, for what quality and at what cost. And we (note: the social sector services) don't have all these possibilities by our own we only have them, if at all, in the dialogue with the funding body. This means that in the first place the local and regional authorities order services, according to certain quality criteria, and at the same time, they set the price. It is virtually defined by the state, which services should be offered and which can be carried out. Secondly, with what quality and third at what price... so they (note: the funding bodies in the negotiations about the collective agreement) virtually sit with us on the table."

The chairman of the "Sozialwirtschaft Österreich", Wolfgang Gruber (Interview 2012), has another opinion on this point. Similar to other sectors, the social sector should be in the position to set the price in relation to the arising expenses and not just be determined by the funding body. His point of view is that it does not make sense to invite the funding bodies to take part in the social dialogue.

4.4 Other collective agreements in the health – and social service sector

In addition to “Sozialwirtschaft Österreich” (formerly BAGS), which is the largest professional employers’ association in the health and social service sector in Austria, several other professional employers’ associations have been approved a collective negotiating body by the Federal Arbitration Office. That includes some of the largest social service organizations in Austria: Caritas, Diakonia and the Red Cross, but also the employer association of social - and health services in the region of Vorarlberg.

Further employers’ associations that have been approved for collective bargaining are listed on the website of the Ministry of Labour, Social Affairs and Consumer Protection (2012). Amongst others the following professional associations of employers in the health and social sector are listed:

- Neustart – Bewährungshilfe, Konfliktregelung, Soziale Arbeit
- Verband steirischer Alten- und Betreuungsheime
- Interessenvertretung von Ordensspitälern und von konfessionellen Alten- und Pflegeheimen Österreichs
- Niederösterreichisches Hilfswerk
- Dachverband für ambulante Alten- und Heimhilfe
- Verein Interessenvertretung karitativer Einrichtungen der Katholischen Kirche in Österreich
- Österreichisches Rotes Kreuz
- Arbeitgeber/innenverband der Diakonie Österreich
- Arbeitgeber/innenverein von Sozial- und Gesundheitsorganisationen in Vorarlberg, Bregenz
- SOS-Kinderdörfer

According to the interview with the head of the personal management of Caritas Vienna, Karin Necina (2012), the collective agreement of the charitable institutions in Austria include about 10,000 employees. In addition to the annual wage agreement, the development of a model for flexible working hours that suits the particular work and life situation of the employees is currently a major issue in Caritas social dialogue. Furthermore maternity leave will now be recognized as full working years for the job grading scheme. This is important, as various job entitlements are dependent of the sum of the years employed.

The collective agreement sets out conditions which are the basis for company agreements based on regional conditions at regional level. Regional conditions are often very different, even the salaries are regionally quite different.

Caritas Vienna is currently working on a career pool to create internal career opportunities for their employees. With this career pool they want to make the Caritas more attractive and keep the employees in the institution. Furthermore, Caritas works on a health project for its staff. This project deals with burn-out prevention and a better way to cope with time pressure. Additionally occupational safety in terms of protection against internal and external violence is one of the main topics in the project. The growing shortage of skilled workers in the long term care sector should be brought to an end with projects that prove the Caritas attractive as an employer.

According to a press release of the Diakonie (2006) their collective agreement – completed on March 29th – was the third agreement in the social sector after the Caritas' and the BAGS' collective agreements. This agreement applies to the charitable institutions for the work with the elderly, the disabled, the child and youth care, the rescue - and ambulance services as well as refugee aid. This affects about 2.500 employees all over Austria. Michael Chalupka, director of "Diakonie Austria", described the negotiations of working time as the biggest challenge.

Essential elements in the Diakonie-collective agreement were shallower wage curves with a higher starting salary, the introduction of the 38-hour week and flexible working hours by increasing the reference period. The difference between blue – collar workers and employees was replaced a homogeneous system of employees. The possibility of a sabbatical and supervision, both meant as "burn-out" prevention and vocational training days are also recorded in the agreement.

The collective agreement of the Red Cross is valid for about 5.500 employees of the Red Cross in Austria. The agreement consists of a part describing general labour guidelines and nine appendices for each state with different wage scales. The collective agreement is federally structured and therefore can address country-specific characteristics (Schneider 2012).

There is one important aspect on the concept of social dialogue that should be pointed out: Not every stakeholder or interview partner used the term "social dialogue" in regard to the dialogue between employees and employers. In the national workshop and in one interview it came to a mixture with the term civil dialogue. This did partly lead to blur, especially with recommendations to the European level.

In our opinion there are two potential reasons for this confusion in terms. On the one hand this may be a result of the late attempt to unify the health and social service sector. On the other hand this is probably associated with the strong involvement of civil society in civil dialogue.

5. Social Dialogue in the Public Health and Social Service Sector

5.1 The Public Sector

This chapter summarizes the results of the expert interview with Bernhard Harreither, chairman of the Union of Municipal Employees, Major group II (Gewerkschaft der Gemeindebediensteten – GdG, Hauptgruppe II). He is one of the leading experts on issues for social dialogue in the public health sector in Austria. In addition to that this chapter describes the IFES (Institute for Empirical Social Studies) study "time for humanity" more into detail.

The term "public sector" in this report is used for circumstances where social services are delivered by national, regional or municipal public authorities or public sector agencies themselves.

There is no collective bargaining in the public sector in Austria. Social dialogue takes place between public-sector trade unions and government representatives. Labour conditions are regulated by laws. Harreither (2012) notes that the working conditions, wages as well as pension benefits in the public sector are regulated by federal and province laws instead of collective agreements. That includes:

- pay regulations
- service regulations apply to public servants, contract staff regulations apply to contract staff
- pension schemes

These laws are defined for each province and as well as for employees of the federal government.

Harreither also points out, that about 2/3 of the employees in the health sector in Vienna are contract staff, just 1/3 public servants. In principal, the status of being a public servant having tenure was abolished and in the health and social service sector new employees now get the status of a contract staff. In general Vienna is, on an Austrian basis, part of the top layer in tenure. However, in the last five years, only top public servants, who should be independent from politics, got tenured. According to Bernhard Harreither the labor law status of contract staff is comparable with the private sector. points out in his interview:

For the employees in the health sector there are four different unions, depending on the service provider:

- Union of Public Service
- Union of Municipal Employees merged with the Union of Art, Media, Sports and Freelance Workers (KMSfB). They represent all employees working for the city government.
- Trade Union of Private Employees (GPA)
- Vida

The competences of these four unions are bundled in the Association for Health Professions in the Austrian Trade Union. All unions supply this association. If new laws are about to be enacted that are tangent to non-physician health care professions, than the Association for Health Profession is invited to submit a statement.

Employers in the public services in the health and social sectors are the regions, cities, municipalities, as well as the federal government. Hospitals are partly outsourced from the public service; although they are still to 100% in the ownership of the country or city. In Austria, the regions bear the responsibility for the public health care. Furthermore, outsourced hospitals are included in the BAGS collective agreement.

In Vienna, the counterpart of social dialogue in the health sector within the public service is the Director of the Hospital Association (Krankenanstaltsverband - KAV) for all matters that the City of Vienna has assigned to him in this function. For any other matters, such as fixing the number of employees, the responsibility lies within the head office of the municipal authorities (Magistratsdirektion).

5.2 Important working issues within the public service in the health – and social sector

Currently the discussion in the Austrian health sector is dominated, as in many other countries, by budget constraints. Until 2016, the Austrian Federal Government has a vision of a so called "cost containment path". In the health sector the amount that has to be economized until 2016 lies around EUR 3.5 billion. These savings should be covered to 40 % by the social insurance and to 60% by the hospitals themselves.

In this context, cost containment path means that the cost increase should be 3.5 billions less than it is prognosticated. From 2016 onwards, measured in regard to the GDP, there should only be an annually increase by 3.7 %. This means, that the rise in healthcare costs can just be 3,7 % higher than the economy output in the same period.

An example should illustrate this: If the GDP grows in a year around 1%, than the health sector can grow in the same year 4.7 % (1 % +3.7 %). According to estimations by Harreither (2012), this goal won't be reached without structural reforms. A national steering group should define the services and coordinate. The unions see it as an important objective that the services are coordinated.

Because of the requirement to have an accounting balance by 2016, cost containment will also affect the budget of other social areas in the regions and communities. According to Harreither (2012) therefore services of general interest will be affected: The regions would have to save a total amount of 5.2 billion EUR, Vienna around 1 billion EUR. The Hospital Association should save around 200 million EUR of these 5.2 billion, the city of Vienna additionally 800 million EUR. These cuts will affect all public funded areas. The health - and care sector will be affected as well as the disability sector.

Harreither states in the interview (2012):

"As a social partner we say: if necessary we have to enforce proper structural reforms. It is not the question how many hospitals we have. The patient needs qualified treatment. As long as the patient gets the best care that is necessary, it doesn't matter where the service comes from; from a private practitioner or in the clinic or else where. "

5.3 „Time for Humanity“

According to Harreither (2012) the improvement of working conditions in the health sector is currently the hot topic. He describes this as follows:

"The work in the health sector is getting more and more, cases per employee are increasing. For this reason last year there was a big demonstration of health workers against this situation. According to a survey 70 % out of 10.000 responding employees want better working conditions and are willing to go on strike for it."

Due to precarious working conditions in the health sector, the union also initiated another survey amongst health sector employees called "Time for Humanity". The union wanted to find out if improvements are necessary. From employer's side managers were interviewed, concerning the same subject. The resulting findings were presented in early 2012.

From the employers in the health sector, the following issues were identified for improvement:

- Improvement in terms of communication and organizational procedures: breaks, admission management and training of newly employed staff
- Improve the cooperation with extramural sector – e.g. with the emergency services
- In the area human resources important issues are: working hours, the obligatory takeover of tasks not associated with the job, in particular important is the takeover of administrative activities and lack of cleaning staff.

The results of the employees were summarized in a survey called "Time for Humanity" (IFES 2012). The Institute for Empirical Research in Vienna carried out this qualitative survey in the 4th quarter of 2011 and published it in March 2012. In the survey, two open questions were asked:

1. What has to be changed for you that the working pressure decreases?
2. What means "time for humanity" for you?

1414 questionnaires out of 6599 responses were evaluated. Most questionnaires (58.6%) were completed by nursing staff.

The IFES survey (2012) mentions, with regard to the reduction of working pressure three aspects:

- "The most frequently cited reason for working pressure is seen in the low number of staff (984 questionnaires). Shortage of staff effects the

daily life of all five interviewed occupational groups (...) and is a key factor. It effects multiple other areas that make work life hard by themselves or it can even create problematic areas.

- The interviewees see the change of their fields of activities as a burden (494 questionnaires). They mean tasks, which are added or needed to be done more often (e.g. written documentation) and the additional work and tasks of other professional groups.
- In regard to the working pressure, the interpersonal dealings amongst the colleagues are important (461 questionnaires). More communication, an appropriate and friendly working atmosphere/ environment and mutual appreciation could reduce the pressure according to the questionnaire ... "

The IFES survey (2012) summarizes, concerning the second question: "What means "time for humanity" for you?" the following:

- "Humanity for employees" means in particular a good working atmosphere as well as pleasant/likeable interaction with each other, based on appreciation, respect and recognition, openness and honesty.
- "Humanity for patients" could be achieved, if there would be more time for a thorough and individualized nursing care."

Overall, it should be noted, that Harreither (2012) estimates that 90 % of the results are in line with, no matter if employer of employee.

Although, there is one major difference concerning the lack of staff and is described in the study as follows:

"Employees see the shortage of staff in the health sector as a bigger issue. Meetings and an in-depth conference should give room for discussion and results, which are developed jointly. Participants in this conference will be the union and the Hospital Association, as well as the Municipal Authorities, if necessary."

6 Recommendations

6.1 Possible issues for the European level for social dialogue

One of the aims of PESSIS is to identify themes for social dialogue for the European level. Therefore the interview partners were asked questions in regard to that topic. Our interview partners mentioned seven major themes in this context:

Working time

According to the Union of Municipal Employees a stronger European law regarding working time is needed. Essential within that topic is a better maximum limit for extended working hours. The individual countries should not have the possibility to have a "opt out" clause. With the current regulation there is a chance that company agreements allow over time up to 78 hours per week.

Education

The future need for qualified nursing staff in Austria until 2025 is estimated about 20.000 qualified nurses higher than today. According to many of our interview partners a training offensive is needed in Austria. From the

European Commission exists a proposal that regulates the standardization of the education throughout Europe. A higher qualification is important on the one hand, at the same time, the permeability for people without A – level but an occupational aptitude for nursing should be ensured on the other hand.

Aging Workforce

Age-appropriate work is an important issue for the health and social service sector at European but also at local level. This is especially important, as the retirement age is currently raised, as a result of the spending cut all over the European countries. The problem is that many older employees are physically no longer in the position to meet the requirements of their job. This applies to kindergarten, as well as in the maintenance area - or the disability sector. One goal is to create own requirement profiles for older employees, so that they can continue to contribute their knowledge and experience.

According to some of our interview partners it is necessary to introduce a new wage system. This system should start with a higher initial salary for newly recruited staff and then flatten off. With that change, the sum of lifetime earning will be re-arranged and the employment of older employees – as they earn less – is more attractive for employers.

Ethical recruiting

Many EU countries hardly train and educate professionals in the health sector. Instead, they are recruited from other countries. With that comes a loss of knowledge and loss of skilled workers for the educating country. For these countries the result is a so-called "brain drain" that brings considerable disadvantages.

Occupational health and safety

As a positive example of social dialogue on European level, Harreither (2012) mentioned the EU directive to prevent injuries and infections to healthcare workers from sharp objects such as needle sticks. The European Commission asked the social partners at the European level to find solutions regarding this issue. The negotiations on European level led to a sustainable directive that must be implemented now. Matters of occupational health and safety are excellent matters for the European level, because the high cost pressure and the self interest are too high at national level.

Quality of services

“The issue of quality of social services has been a very prominent one on the European agenda in the last couple of years. Efforts concentrated on the topic gathered momentum at the end of 2010 when the European Commission published the Second Biennial Report on Social Services of General Interest entirely devoted to the topic of quality” (Krzystek 2012). All of our interview partners have mentioned the issue of quality as an important issue to be dealt with by the European level.

Protection of the third sector

According to Fenninger (2012) it is important that services of general interest are protected against boundless competition. In areas where no profit can be made it is also necessary to secure the supply of health and social services. There was a common consensus on this view by all of our interview partners who named this as an important task for the European level.

6.2 Other Recommendations

The clear structuring of social dialogue in Austria can be considered a good practice for the European level. The Austrian system is characterized by the fact that only specified interest groups and professional organizations can be involved in social dialogue. Only those organizations are authorized to conclude collective agreements that have been recognized either directly by law or by the Federal Arbitration Office. This includes, amongst others, that the professional organization is operating in a wider geographical and technical scope, and economic importance is incumbent upon them on the basis of their broad membership and scope of activity.

As social partnership aims at cooperation and constructive dialogue, collective agreements mainly are reached through negotiations without strike or other industrial actions. "Austria has a collective agreement coverage of more than 95 %, which has contributed to considerable income security and to equal conditions for the competition of the businesses" (Austrian Trade Union Federation, 2010, p.6).

When it comes to the health and social service sector, the Austrian system is also characterized by the successful attempt to unify the sector that was previously fragmented across multiple industries. Today the BAGS collective agreement provides regulations for the entire health sector, social services

sector, disability sector, child and youth welfare services and labour market services. Currently, in these areas, around 90,000 people are employed. One of the recommendations in our national workshop aims at the European level and refers to the described influence of the funding bodies: This triangle situation should be better analyzed, and pilot projects for a better integration of the funding bodies in the system should be tendered.

Last but not least all of the interview partners recommend further measures and funding to investigate the health and social service sector more in depth. This sector is a future industry with "great growth dynamic and extraordinary job growth perspectives for future decades" (Hilbert et al 2012). Investments in this sector are investments social peace and future prosperity.

7 Summary

The health and social service sector in Europe is seen as future industry with excellent job growth perspectives. Gruber (2012) quantifies the average compound annual growth rate (CAGR) of employment in the sector (2004 - 2010) with 3,35 %. This rate is therefore 2 percentage points higher than the average CAGR of all the sectors together in the same period. In relation to the number of employees, the health and social service sector is the third largest sector in Austria, coming right after the production of goods with 653.900 employees and the sector commerce/maintenance and repair with 629.100 employees (Statistik Austria, 2012a, p.33).

The proportion of female employees is the highest of all sectors (77,1 %) as is the proportion of part time employment (42,9 %) (Knittler 2011, p.1102). There is a high need of additional qualified personnel, especially in the field of long term care. In this sector the need for additional employees is estimated with around 20.000 until 2025 (Harreither 2012).

Social dialogue mainly takes place at different levels:

- Laws in Austria in general are issued with the involvement of the "social partnership"
- Collective agreements are an important instrument in the Austrian system as here industrial relations are shaped more closely in a dialogue beyond company level.
- At company level works councils conclude agreements with their companies.

- In the public sector staff representatives negotiate with government officials. Instead of collective agreements working conditions are regulated by regional and national laws.

The frame in which social dialogue mainly takes place is called social partnership. „Social partnership is based on the comprehension that conflicts of interest can be solved through dialogue and that there can be a balancing of economical and social interests through compromise“ (ÖGUT 2012).

The regulation of working relationships through collective agreements is one of the main tasks of the social partnership in Austria. "Austria has a collective agreement coverage of more than 95 %, which has contributed to

considerable income security and to equal conditions for the competition of the businesses" (Austrian Trade Union Federation, 2010, p.6).

In 1997 a voluntary professional association of employers, the BAGS, was founded mainly to unify the health and social service sector in Austria that was previously fragmented across multiple industries, and to negotiate one single collective agreement. However, the final compromise for the BAGS collective agreement within the sector happened historically seen quite late, namely in 2003. BAGS was renamed "Sozialwirtschaft Österreich" in 2012

According to "Sozialwirtschaft Österreich" (2012) today „...the BAGS collective agreement is valid for more than 300 member organizations nationwide...Being declared statute, BAGS is in Austria the only collective agreement providing regulations for the entire health sector, social services sector, disability sector, child and youth welfare services and labour market services. Currently, in these areas, around 90,000 people are employed... the BAGS collective agreement takes the place of sub-group contracts of various organizations and professional groups in the Austrian provinces and replaces more than 200 different company arrangements. For 60 social professions it creates minimum standards that must not be fallen short of."

According to the social partners, which were involved during the negotiations, the standardization of salaries has been the core topic within the collective agreement. What "... on the other hand leads to considerable difficulties in the implementation and the applicability" (Bödenauer et al 2009, p. 7). These difficulties were confirmed by many of the stakeholders of the national workshop on March 12th 2012.

Besides the improvements the collective agreement also brought, almost every participant of the national workshop and the interviews mentioned as a major problem, the interaction between collective bargaining and public procurement as well as payment for the social services. Although the collective agreement defines that favourable existing provisions should continue, the authorities are only willing to pay the costs for the cheaper BAGS wages. In the view of some of the participants the minimum tariff of the collective agreement has therefore changed into a maximum tariff.

In 2011 wages have been one of the most important topics of social dialogue. Besides that the recognition of maternity leave as working time for various further claims, the development of models for flexible working hours, the lack of staff and better working conditions and qualification and vocational training for staff have been mentioned as topics for social dialogue.

In the Austrian public sector the discussion currently is dominated, as in many other countries, by budget constraints. Until 2016, the Austrian Federal Government has a vision of a so called "cost containment path". In the health sector the amount that has to be economized until 2016 lies around EUR 3.5 billion. According to Harreither (2012) the improvement of working conditions in the health sector is currently also a hot topic. Due to the precarious working conditions in 2011 there was a demonstration of health workers, many of them were willing to go on strike for it. The union has therefore initiated a survey amongst health sector employees called "Time for Humanity".

This IFES survey (2012) mentions, with regard to the reduction of working pressure three aspects:

- The most frequently cited reason for working pressure is seen in the low number of staff (984 questionnaires).
- The interviewees see the change of their fields of activities as a burden (494 questionnaires)
- In regard to the working pressure, the interpersonal dealings amongst the colleagues are important (461 questionnaires)

As important topics that could be dealt with in social dialogue on the European level our interview partners have mentioned:

- Working time and a maximum limit for extended working hours
- Health and safety at the workplace
- Aging workforce
- Ethnical recruiting
- Education and vocational training of staff
- Quality of services
- Protection of services of general interest

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Appendix

Questionnaire

Das Projekt PESSIS: "Promoting employers' social services organisations in social dialogue" hat als Ziel, den Mangel an qualitativen und quantitativen Daten über den Sozialen Dialog im Sektor der Sozialen Dienstleistungen aus Sicht der Arbeitgeber in Europa zu beheben. Projektpartner sind neben der EPSU, SOLIDAR, die FEANTSA, die CARITAS Europa und auch die BAWO in Österreich. Für den Zweck des Projektes PESSIS wird der Begriff "Social Dialogue" definiert als "Dialog zwischen ArbeitgeberInnen und ArbeitnehmerInnen". Im Projekt werden insbesondere die Bereiche Langzeitpflege, Behinderung und Arbeit mit Kindern bis 5 Jahren näher untersucht.

In einem ersten Schritt habe ich eine Bestandsaufnahme zur Größe des Sozialen Sektors bezogen auf die Anzahl der Beschäftigten und der Arbeitgeber durchgeführt. Welche Formen des sozialen Dialoges oder kollektiver Vereinbarungen bestehen? Wie groß ist der Anteil der Beschäftigten und Arbeitgeber, für die kollektivvertragliche Regelungen bestehen? Welche zentrale Arbeitsthemen werden geregelt und auf welcher Ebene?

In diesem Interview möchte ich gerne auf die Arbeitsthemen und Ebenen, in denen diese behandelt werden eingehen:

1. Nehmen sie im Moment an irgendeiner Form des sozialen Dialoges teil?
2. Können sie Details existierender Vereinbarungen des sozialen Dialogs nennen?
3. Was sind die Stärken, was sind die Schwächen dieser Vereinbarungen?
4. Können sie erfolgreiche Beispiele sozialen Dialogs nennen?
5. Welche kollektiven Vereinbarungen decken Teile oder den gesamten sozialen Sektor ab?
6. Was sind die wichtigsten Arbeitsthemen (engl.: labour issues) die den sozialen Sektor betreffen?
7. Auf welcher Ebene (europäisch, national, regional, Städte-/Gemeindeebene) treten diese Arbeitsthemen (labour issues) auf?
8. Wie werden diese derzeit adressiert – durch welche Ebene?
9. Können sie Fragen nennen, die am effektivsten/besten durch die Europäische Union angesprochen werden könnten?
10. Sind sie in europäische Fragen/ Themen involviert, zum Beispiel als Mitglied eines europäischen Netzwerkes?
11. Verfügt ihre Einrichtung über ausreichende Mittel um sich verstärkt in den Europäischen Dialog einzubringen?
12. Würden sie gerne noch etwas hinzufügen?

Interview partners

Expert interviews

| Vorname | Name | Organisation | Bundesland | Funktion |
|----------|------------|---|------------|---|
| Erich | Fenninger | Volkshilfe Österreich, | Wien | Geschäftsführer, stellv. Vorsitzender Sozialwirtschaft Österreich |
| Wolfgang | Gruber | Sozialwirtschaft Österreich | Wien | Vorsitzender |
| Bernhard | Harreither | Gewerkschaft der Gemeinde-bediensteten Hauptgruppe II | Wien | Vorsitzender |
| Karin | Necina | Caritas Wien | Wien | Leiterin Personal |
| Bernhard | Schneider | Österreichisches Rotes Kreuz | Wien | Leiter Personal |

National workshop

| Vorname | Name | Organisation | Bundesland | Funktion |
|-----------|------------|--|------------------|-----------------------------|
| Sieglinde | Trannacher | Volkshilfe Kärnten | Kärnten | Leiterin Wohnbereich |
| Sepp | Ginner | Verein Wohnen und Arbeit | Niederösterreich | Geschäftsführer |
| Thomas | Wögrath | B37 Oberösterreich | Oberösterreich | Einrichtungsleiter |
| Heinz | Schoibl | Helix Salzburg | Salzburg | Sozialwissenschaftler |
| Andreas | Graf | Wohnplattform Steiermark | Steiermark | Sozialarbeiter |
| Anita | Netzer | DOWAS Innsbruck | Tirol | Leiterin Finanzen/ Personal |
| Erich | Ströhle | Kaplan Bonetti gemeinnützige GmbH Vorarlberg | Vorarlberg | Vertreter ARGE |
| Gabriele | Kienzl | Vinzenzhaus, Caritas | Wien | Einrichtungsleiterin |
| Sara | Riedmann | bawo | Wien | Assistentin Vorstand |
| Franz | Sedlak | Arge Wien | Wien | Vertreter ARGE |
| Heidi | Supper | FAWOS Wien, Volkshilfe | Wien | Sozialarbeiterin |
| Barbara | Zuschnig | Selbständige Beraterin | Wien | Organisationsentwicklerin |

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EUROPEAN SUMMARY REPORT – PESSIS PROJECT

CONCLUSION

The social services sector is a rapidly growing sector in terms of employment and value, as measured in both social and economic terms. This needs to be more widely recognised at national and European levels. More research is needed to present the detailed social and economic value of the sector by country. The employment growth of this sector during a period of rising unemployment has important implications for its place within national economies. However, the profile of the labour force shows that it is predominantly low paid, female and aged over 40 years old. This profile has implications for the future expansion of the sector.

The majority of EU countries have ageing populations and some have rising fertility rates. They are also faced with severe public spending cuts that are reflected in the quality of services provided. These factors present challenges to existing social and health care policies. The value of the not-for-profit sector should be more widely recognised with a broader interpretation of 'Services of General Interest'. The privatisation of services, the introduction of public procurement processes and the lack of regulatory frameworks in the social services sector is resulting in low pay and the deskilling of the workforce, which threaten the strong values that inform the delivery of social services. High quality social services require high quality, well-paid workers. EU procurement processes need to be modernised so that the labour intensive nature of the social services sector is recognised and contracts are awarded in terms of the quality of the service rather than the lowest cost. This would help to attract new workers to the sector.

A common set of problems face this sector which are challenging traditional forms of delivery. The growing emphasis on home care and personalised services, often informal, raises questions about how social services can '*be of service to people*' in future. Delivery of services will depend on the future of the social services workforce, which needs to be sustainable. Solutions to the problems of recruitment and retention will have to involve improved pay and working conditions, more training and support for professionalisation. The growing cross-border mobility of social care workers requires wider recognition of qualifications and as well as greater provision of training by for-profit and not-for-profit providers. Labour issues, such as maximum working hours, maternity/ paternity leave, and terms and conditions of workers in outsourced services could be addressed at European level. The Agency Directive needs to be revised and improved.

There are several systems of representativity in the social services sector at national level but several countries lack strong employers' organisations, even where there is a tradition of social dialogue. In several countries, employers in the social services sector are not organised into any representative organisation. The public sector has stronger systems of representation, often required by law. The expansion of both the for-profit and not-for-profit sectors means that they will have to recognise their responsibilities as employers and form strong employers' organisations to support this process. In three of the study countries, even where there are systems of social dialogue, social services partners are not recognised in the national social dialogue process. This affects their capacity to take part in effective collective bargaining negotiations and reflects the lack of recognition of the social services sector in the overall economy.

There is some system of collective bargaining in all of the eleven countries, which covers all or part of the social services sector. This is an important set of structures on which to build further employer- employee dialogue. As a sector that is characterised by low pay and problems with recruitment and retention, the future of the sector will depend on finding shared solutions to these problems. As the balance of provision of social services across public, for-profit and not-for-profit sectors is changing, any new or strengthened systems of representation will have to include employers and employees from all sectors. This research shows that there is existing good practice in several European countries that could be used to inform social dialogue more widely. A European level social dialogue committee would provide a means of facilitating this as well as working on some of the key problems facing the sector.

Some countries, for example, Belgium and France, with well-developed social dialogue systems were cautious about whether an EU social dialogue committee would give value to their national social dialogue arrangements. Agreeing on common values would be an important basis for future European cooperation. An indication of the importance of language and shared values can be seen in the experience of Ireland, where social partners felt that social and civil dialogue should be separated from social partnership so that dialogue can continue between employers and employees.

More information about the social services sector, especially the growing for-profit sector, in a wider range of countries is also needed to inform European actions and maintain an information base on the sector. A greater understanding of existing systems of social dialogue in this sector as well as good practices across the sector would increase the knowledge base on social dialogue. This would help to show the similarities between countries even though social services are characterised by local provision.

PESSIS Project Recommendations

European Union (EU) level

1. Poor working conditions, problems with the shortage and retention of staff, lack of training opportunities, special needs of women workers, mobility and working time are all issues that face the social services sector in many European countries.

Recommendation: Although social dialogue is mainly a bottom-up process, this wide range of common problems facing all national social services sectors should be addressed through the development of social dialogue at European level.

2. Social dialogue in the social services sector is not organised at European Union (EU) level or sectoral level.

Recommendation: The European Commission should support the development of social dialogue instruments for the social services sector at EU level. At least three options seem to be realistic: joining the Local Authorities sectoral Social Dialogue Committee, joining the Hospitals and Healthcare Social Dialogue Committee, or creating a specific Social Dialogue Committee for Social Services.

3. Further data is needed to better understand how social dialogue is organised in the social services sector in the eleven PESSIS study countries and other European countries, especially in Central and Eastern Europe.

Recommendation: The European Commission should promote follow-up research to further understand how social dialogue is organised across Europe, to identify models of good practice and to understand the full economic and social contribution of the sector.

4. The not-for-profit sector is expanding fast and becoming a significant employer in all countries.

Recommendation: New opportunities to promote reflection and networking building within the sector in order to identify employer responsibilities and ways of meeting them should be facilitated across Europe.

5. The European social services sector is heterogeneous and underrepresented.

Recommendation: Employers and employees must recognise the role of actors at EU level to support social dialogue in the social services

- sector. More work to support the development of representativity for employers, through workshops and seminars, is needed at EU level.
6. Existing social dialogue in the social services sector needs to be better understood and more widely recognised.

Recommendation: Cooperate with the coming EU Presidencies to promote the PESSIS project conclusions and recommendations.

7. Social sector employers are not recognised as social dialogue partners at European level at this stage.

Recommendation: Social sector employers, mainly not-for-profit being public or private should be recognised as social dialogue partners.

National level

8. Social partners in the social services sector need to develop a shared language for negotiations between employers and employees.

Recommendation: Support the creation of new social dialogue pilot projects to bring social partners together to create an effective social dialogue between employees and employers in the social services sector.

9. Additional research is required to explore new ways of developing social services delivery, drawing on new technologies as well as preserving sensitive local delivery.

Recommendation: National governments and other stakeholders should commission research to explore how social services delivery could be restructured, using new technologies and new forms of organisation at local, regional and national levels.

10. In some European countries, social dialogue in the social services sector is not organised yet.

Recommendation: The European Commission and Member States are needed to empower local actors representing employers or employees active in the social field.

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