

BARSERVICE



Comparative Report: Social Care Sector

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1. Introduction

The social care sector plays a critical role in supporting vulnerable populations, particularly the elderly, disabled individuals, and those requiring long-term assistance. Despite its societal importance, the sector faces significant challenges, including low wages, workforce shortages, and limited collective bargaining coverage.

This comparative report examines the state of collective bargaining in the social care sector across nine countries: Croatia, Czechia, France, Italy, North Macedonia, Romania, Serbia, Slovakia, and Türkiye. It explores sectoral trends, identifies key challenges, and assesses the potential for 'smart bargaining' to improve labour conditions and bargaining coverage.

The primary findings from this comparison include:

- **Workforce Shortages and Aging Populations:** All countries face an increasing demand for care services due to aging populations. However, workforce shortages are a significant issue, particularly in Slovakia, Czechia, and Italy, where many skilled care workers migrate to higher-paying countries. France and Italy rely heavily on migrant labour, but restrictive policies hinder long-term workforce stability.
- **Prevalence of Informal and Undeclared Work:** Undeclared employment is a major problem, particularly in Türkiye, Italy, and Romania. In these countries, a significant portion of caregivers work without formal contracts, limiting their access to legal protections, benefits, and collective bargaining agreements. This issue is most severe in home-based care (NACE 97), where regulatory oversight is weak.
- **Gender Disparities and Low Wages:** Women make up the majority (70-85%) of the care workforce across all countries, yet they continue to experience wage disparities and limited career advancement opportunities. In most countries, female workers dominate caregiving roles but remain underrepresented in management positions. Wages in the sector remain low, often close to minimum wage levels, discouraging new employees.
- **Fragmented Collective Bargaining Systems:** In many countries, bargaining is highly decentralized or non-existent in the private sector, leading to disparities in working conditions and wages.
- **Weak Unionization in the Private Sector:** While unionization is relatively high in public care institutions, the private care sector remains underrepresented in collective bargaining across most countries. In countries like Türkiye and Serbia, union membership is extremely low, limiting workers' ability to negotiate better wages and conditions.
- **Funding and Policy Gaps in Social Care:** A lot of the countries struggle with funding shortages, making it difficult to implement sector-wide wage increases or improvements in working conditions. Many governments continue to underfund social care, relying on private providers who often fail to offer stable employment.

1.1 Methodology

This study is based on the BARSERVICE country-level reports that included structured interviews and secondary data from national and European statistical agencies. Each national report provided an in-depth look into sectoral conditions, workforce demographics, collective bargaining frameworks, challenges and ideas for smart bargaining. This comparative analysis integrates these findings to identify common trends and country-specific nuances.

2. Sector Characteristics

2.1 Structural Composition of the Care Sector

The care sector in all analysed countries consists of **public and private providers**, with public institutions generally being the dominant force. However, the private sector is gaining traction in some cases due to **demographic pressures, migration trends, and funding constraints**.

- In **Romania**, public institutions dominate, covering **95% of the workforce**, but the private sector is growing steadily.
- In **Serbia**, residential care is provided by **both public and private providers**, with licensed entrepreneurs expanding service offerings.
- **North Macedonia** and **Slovakia** also show a **divide** between public and private care, where public institutions receive more support while private providers struggle to offer competitive working conditions.
- **Czechia** and **France** exhibit a more **complex mix of formal, semi-formal, and informal employment**, particularly in household-based care services.

Italy has a **highly diversified** care sector, with a **clear distinction between domestic care and institutional care**. **82%** of domestic workers and **68%** of residential care workers are **over 40 years old** and a **high prevalence of undeclared work** (1 million irregular workers) is present.

2.2 Digitalization and Technological Innovation

Digitalization in the care sector remains somewhat **limited** in most countries, with **significant barriers to adoption**. However, there is a visible effort to gradually introduce some digital tools.

- **Croatia** attempted to introduce a digital database ("sustavsocskrb"), but **poor data entry and possible employee resistance** have slowed progress.
- **Czechia** and **Türkiye** report **increasing use of AI, monitoring systems, and electronic health records**, but these are largely confined to institutional care.
- In **Romania**, digital tools are beginning to **support unionization efforts** for decentralized workers, like maternal assistants.

Romania presents a unique example where digitalization is beginning to support labour rights. Digital tools are increasingly used to **connect decentralized workers, particularly professional maternal assistants, with trade unions**. Given that many caregivers work in isolated environments, digital platforms allow them to **access information on their rights and participate in union activities remotely**.

2.3 Legislative and Policy Trends

Several countries are undergoing **structural reforms** to improve the care sector:

- **Romania** is shifting from **large residential centers to community-based care**, driven by EU mandates.
- **Slovakia** provides **financial support for home caregivers**, allowing families to play a larger role in care provision.
- However, many countries lack **labour protections for domestic workers**, requiring **new regulatory measures**.

3. State of bargaining and main challenges

Collective bargaining in the social care sector is **highly fragmented and uneven** across countries, reflecting differences in labour laws, union strength, and the structure of care services. While some countries have **sectoral agreements** covering large portions of the workforce, others rely on **company-level negotiations** or have **minimal formal bargaining mechanisms**.

A key distinction is between **public and private sector care providers**. Public sector workers generally have **better bargaining coverage**, while **private sector employees and domestic care workers often lack formal representation**. Some countries, like **Italy and France**, have well-established **national-level agreements**, whereas others, like **Czechia and North Macedonia**, rely on **company-level bargaining with limited sector-wide coordination**.

Romania recently signed its **first sectoral collective labour agreement for social assistance in 2024**, a major milestone in the sector. While it applies primarily to public institutions, efforts are being made to extend it to private providers.

Czechia illustrates the opposite trend, as **attempts at sectoral collective bargaining in the care sector failed due to funding disparities between public and private providers**. Today, bargaining takes place almost exclusively at the company level, with large private care providers negotiating directly with trade unions.

In most countries, **publicly funded care institutions benefit from more structured collective bargaining**, while private sector and domestic workers often lack bargaining power.

- **Croatia, Romania, Serbia, Slovakia, and France** have strong **sectoral agreements** that apply to public care workers but do **not** always extend to private providers.
- **Italy's** primary collective agreements cover both **residential care and domestic work**, though the latter lacks **regional or company-level bargaining**.
- In **Czechia and North Macedonia**, collective bargaining is **mostly company-based**, and sectoral agreements have **not materialized** due to funding disparities between public and private providers.
- **Türkiye** has sectoral agreements for the healthcare and social services sector as a whole, but these agreements are **not directly related to social care services** and **care workers under NACE 87 represent a very limited proportion of the sector**.

- **Croatia** has one of the **highest levels of union coverage in the public sector, with 78.8% of workers covered by collective agreements (including healthcare and social care workers).**

Across all countries, **private sector workers and domestic workers face significant obstacles to collective bargaining.**

- **In Serbia, Slovakia, and Türkiye,** private sector care providers are **not covered by sectoral agreements,** leaving workers **without formal protections.**
- **In France and Türkiye,** domestic workers (NACE 97) **face severe fragmentation** due to employment by individual households.
- **Czechia and North Macedonia** have **minimal union representation** in private and household-based care, leaving workers to **negotiate individually** or through informal arrangements.

Italy stands out for having **a dedicated national collective agreement for domestic workers,** signed by both major unions and employer organizations.

On the other hand, the case of **Türkiye** illustrates the **challenges of organizing domestic workers,** with **high informality** (over 90%), **fragmentation of employers** and **no representative employer organization to facilitate collective agreements.** While trade unions like EVID-SEN and IMECE advocate for domestic workers, legal barriers prevent them from participating in formal bargaining.

The power dynamics between unions, employers, and the state vary across countries, but some common patterns emerge:

- **In Croatia and Romania,** government authorities play a dominant role in negotiations, controlling **funding allocations** and dictating bargaining terms.
- **In Serbia, Slovakia, and Türkiye,** **trade unions have little leverage** over private sector employers, as unionization is weak and employer associations are not recognized as bargaining counterparts.
- **In Czechia, North Macedonia, and Türkiye,** the **absence of strong union representation and sectoral agreements** leaves individual workers with little leverage, allowing employers to dictate wages and working conditions with minimal negotiation.

Across all examined countries, several recurring obstacles hinder effective collective bargaining in the care sector:

- **Fragmentation of Social Partners:** Many care sectors lack unified employer organizations or strong union representation, making sector-wide bargaining difficult. In **Romania, North Macedonia, Czechia, and Serbia,** unions are fragmented, and many private employers do not engage in negotiations.
- **Weak Collective Bargaining in the Private Sector:** The **public sector is typically better unionized,** whereas **private care providers show low bargaining engagement**

due to profitability concerns and a lack of formal employer associations (**Croatia, Romania, Serbia, Czechia, Slovakia, Türkiye**).

- **Wage Constraints and Underfunding:** The **chronic underfunding** of care services leads to **low wages** and tight budget limitations on wage negotiations. Trade unions struggle to push for salary increases due to **strict public spending rules** or due to **wage setting being largely dictated by the government or external budget constraints**.
- **Declining Union Membership and Engagement:** Many **younger workers are not interested in unionization**, reducing bargaining power (**Serbia, Czechia, Romania, Slovakia**). Additionally, **"free-riding"** (workers benefiting from agreements without joining unions) discourages membership in many countries.
- **Gender Segregation and Workforce Composition:** Care work is **highly feminized**, and this impacts bargaining power. The **undervaluation of female-dominated roles** results in **lower wages and fewer career opportunities**, even though it does not always explicitly affect collective bargaining.
- **Legal and Institutional Barriers:** In **Romania and Türkiye**, **public-sector bargaining is restricted** to non-salary benefits due to **legal limitations**. **Turkey's sectoral threshold laws** make unionizing difficult, while **Czechia and Slovakia struggle with bureaucratic constraints in tripartite negotiations**.
- **Precarious and Informal Work:** **Undeclared work** is a significant challenge, particularly in **household-based care**. This **excludes many workers from collective agreements** and weakens unions' bargaining leverage.
- **Employer Resistance and Lack of Social Dialogue:** In **Croatia, North Macedonia, and Serbia**, **private employers resist collective bargaining**, fearing **higher costs and reduced operational flexibility**.

4. Smart bargaining and development opportunities

The concept of smart bargaining varies significantly across countries, reflecting their distinct institutional structures, bargaining traditions, and sectoral challenges. However, common themes emerge, such as **the need for expanding bargaining coverage, integrating underrepresented groups, leveraging digital tools, and addressing structural issues like workforce shortages, gender disparities, and informality**.

- **Expanding Bargaining Coverage:** Many countries recognize the need to extend bargaining to previously excluded groups, particularly informal and domestic workers. In **Italy**, smart bargaining focuses on reducing undeclared work by offering incentives for families to formalize employment. **France** has experimented with tax incentives and simplified contract templates to encourage formal hiring in the domestic care sector. **Slovakia** aims to introduce a mid-level bargaining structure specifically for social services, ensuring that private providers and non-unionized workplaces are included in agreements.

- **Addressing Workforce Fragmentation:** The care sector in several countries suffers from fragmentation, making collective bargaining more difficult. In many countries, bargaining power is weakened by declining union membership and employer resistance. Extreme decentralization can be seen often, where private employers avoid sector-wide agreements, leaving many workers without protections. Countries face challenges due to the presence of numerous small service providers, making union organization difficult. To counteract these issues, unions are advocating for mandatory extension mechanisms and stronger legal requirements for sectoral bargaining.
- **Addressing Gender Disparities in the Care Sector:** The feminization of care work remains a central challenge, with variations in its impact on bargaining. In **Croatia**, over 90% of workers in social care institutions are women, but the government argues that this does not affect collective bargaining outcomes since wages are centrally regulated. In contrast, **France** and **Italy** highlight gender disparities in wages and career mobility, prompting unions to push for gender-sensitive job evaluations and equal pay audits. **Türkiye** faces additional challenges, as domestic care workers, who are mostly women, struggle with societal norms that discourage union participation and collective bargaining.
- **Utilizing Digital Tools for Bargaining:** Some countries have begun integrating digital solutions to improve worker engagement in bargaining. **France** has developed mobile applications to connect with domestic care workers, overcoming the isolation inherent in household employment. **Czechia** is working on digital outreach strategies to counteract declining union membership. In **Slovakia**, unions are encouraged to leverage online platforms and social media campaigns to improve bargaining coverage and raise awareness about workers' rights.
- **Government Intervention and Improving Legal Frameworks:** The role of legislation is crucial in determining the effectiveness of collective bargaining. **Slovakia** and **Romania** emphasize the importance of aligning bargaining practices with legislative frameworks to ensure agreements are enforceable. **Italy** calls for state intervention to incentivize formal employment, regulate hiring through digital platforms, and reduce labour costs for families employing domestic workers. In **Türkiye**, restrictive union laws, including high sectoral thresholds, make bargaining difficult, leading to calls for reforms to facilitate union recognition and participation in negotiations.
- **Building Trust and Negotiation Efficiency:** Some countries focus on improving the bargaining process itself, emphasizing preparation, trust-building, and structured negotiations. In **Serbia**, smart bargaining is defined by its procedural effectiveness, requiring negotiators to be well-prepared, authorized to make decisions, and capable of engaging in productive dialogue. **Croatia** also highlights the importance of building trust between unions and employers, advocating for negotiations that always lead to agreements rather than conflicts.
- **Addressing Workforce Shortages and Professionalization:** Many countries highlight workforce shortages as a key barrier to improving care services. **France** has developed fast-track certification programs to attract and retain care workers, particularly in rural areas where staffing gaps are more pronounced. **Italy** stresses the need for government

intervention to support families employing caregivers while also ensuring professional development opportunities for workers. **Slovakia** calls for systemic reforms in social service funding to create a more stable workforce.

- **Innovative Strategies for Collective Bargaining:** Several countries are adopting innovative approaches to improve bargaining outcomes. **France** introduced a national training fund as part of a multi-year agreement following union-led strikes, demonstrating how industrial action can be leveraged to secure long-term gains. **Romania** proposes capacity-building initiatives for union leaders to strengthen negotiation skills and improve bargaining strategies. **Türkiye** highlights the need for model contracts to protect domestic workers and ensure standardized labour conditions.
- **Bridging the Gap Between Public and Private Care Providers**
A persistent issue across countries is the disparity between public and private care providers in terms of bargaining coverage. **Croatia** has taken steps to extend collective agreements to institutions funded by local governments, ensuring equal protections for all public sector workers. **Slovakia** and **Czechia** struggle with extending sector-wide agreements to private providers, who often prefer individual contracts over collective bargaining. **Serbia** notes that private care homes employ a large portion of the workforce but remain outside collective bargaining frameworks due to low unionization rates and employer resistance.

5. European perspectives

5.1 The Adequate Minimum Wages Directive

The **Adequate Minimum Wages Directive** aims to improve wage adequacy and strengthen collective bargaining across member states, particularly in sectors with low pay and weak bargaining coverage, such as social care. It requires countries where collective bargaining covers less than **80% of workers to create action plans** to promote bargaining and employer participation. The directive also establishes clear criteria for setting and updating minimum wages to ensure fair and transparent wage-setting mechanisms. By aligning national policies with this framework, the directive seeks to reduce wage inequality, combat in-work poverty, and enhance protections for vulnerable workers.

The directive has had varying degrees of impact across European countries.

- In **Czechia**, the directive has led to the introduction of an automatic mechanism for adjusting the minimum wage, replacing politically driven wage-setting processes. However, the abolition of guaranteed wage levels raises concerns about wage protection for care workers, prompting a complaint to the European Commission by ČMKOS.
- **Slovakia** has aligned its wage floors with the directive, particularly through higher-level agreements in public services, ensuring that minimum wage requirements are met.

- **Romania** sees the directive as an essential tool for raising wages in the social assistance sector, where approximately 60% of workers earn close to the minimum wage. The directive indirectly supports collective bargaining by increasing wage floors.
- **North Macedonia** and **Türkiye**, as candidate countries, are not directly bound by the directive but use it as a benchmark to improve wage-setting mechanisms and align with European standards.
- **Italy** remains largely unaffected, as the domestic care sector is primarily based on employment relationships between families and workers, making a national minimum wage impractical. Instead, tax relief for families is considered a more viable intervention.
- **Croatia** has seen minimal engagement with the directive, as its system of coefficients ensures that the lowest wages in public care institutions are already above the minimum wage threshold.

5.2 Role of European Social Partners in Collective Bargaining

- **EPSU** (European Federation of Public Service Unions) and **ETUC** (European Trade Union Confederation) have played a significant role in advocating for increased bargaining coverage and better working conditions in public services, including care.
- In **France**, **EFFAT** (European Federation of Food, Agriculture, and Tourism Trade Unions) has been vocal in securing rights for domestic workers, advocating for stronger EU-wide policies against undeclared work. Their collaboration with **EFFE** (European Federation of Employers in Personal and Household Services) has resulted in joint recommendations to formalize care work.
- **Slovakia's** SOZZaSS and **Czechia's** ALICE trade unions benefit from their memberships in EPSU and **UNI Europa**, gaining financial and organizational support to strengthen collective bargaining initiatives.
- In **Italy**, participation in **EFSl** (European Federation for Services to Individuals) has facilitated exchanges of best practices, though national-level bargaining structures remain dominant.
- **Türkiye** and **Serbia**, despite not being EU members, leverage their participation in European trade union networks to strengthen bargaining capacities and learn from EU social dialogue processes.

5.3 Mutual Learning and Cooperation in Bargaining Practices

- Many social partners recognize the benefits of cross-border learning but face challenges in adapting best practices to their national contexts.
- **France** has drawn lessons from **Germany's** sectoral bargaining system and **Denmark's** tripartite model, which balances worker protections with employer flexibility.

- **North Macedonia** and **Romania** see learning from countries like **Germany** and **the Netherlands** as crucial for expanding sectoral bargaining. However, structural and cultural differences complicate direct policy transfer.
- **Croatia** has engaged in mutual learning primarily with **Bosnia and Herzegovina** and **Serbia** rather than EU countries, indicating regional rather than European-level cooperation.

5.4 Challenges in Implementing EU-Level Bargaining Strategies

- The extreme diversity of bargaining structures across Europe complicates the implementation of unified European bargaining strategies.
- In **Italy**, social partners emphasize that “each country must start from its own specificities,” making direct adoption of EU policies difficult.
- **Czechia’s** employers' associations argue that a European directive on social services would be difficult to implement due to national variations in financing and cultural norms regarding care.

5.5 Expanding Collective Bargaining through European Initiatives

- The **European Social Dialogue Committee for Social Services**, established in 2023, provides a formal mechanism for discussing EU-wide bargaining strategies.
- EPSU, UNI Europa, and the **Federation of European Social Employers** actively participate in these discussions, pushing for increased bargaining coverage in care services.
- **Czechia’s** trade unions actively engage in European-level discussions and seek funding to improve bargaining capacities, while **Slovakia’s** SOZZaSS contributes through its EPSU membership.
- **Serbia** and **Türkiye** benefit from EU-funded projects that indirectly support bargaining expansion, demonstrating the importance of European initiatives beyond member states.

6. Conclusion

This comparative analysis of collective bargaining in the social care sector across nine countries—Croatia, Czechia, France, Italy, North Macedonia, Romania, Serbia, Slovakia, and Türkiye—reveals both common challenges and unique national dynamics. The sector remains a cornerstone of social welfare, yet it faces significant structural and operational hurdles that hinder effective collective bargaining. These challenges include workforce shortages, the prevalence of informal employment, gender disparities, funding constraints, and highly fragmented bargaining systems. However, there are also emerging opportunities for innovation

and strategic bargaining approaches that can enhance working conditions and expand bargaining coverage.

A key issue across all countries is the persistent workforce shortage, exacerbated by demographic shifts and migration patterns. In several countries, including Slovakia, Czechia, and Italy, care workers migrate to higher-paying destinations, leaving domestic services understaffed. Meanwhile, France and Italy rely heavily on migrant labour, though restrictive policies limit long-term workforce stability. Without concerted efforts to improve wages, working conditions, and career prospects, the care sector will continue to struggle with recruitment and retention challenges.

The prevalence of informal and undeclared work is another pressing concern, particularly in Türkiye, Italy, and Romania. In these countries, a significant portion of the workforce remains outside formal labour protections, making collective bargaining efforts difficult to implement. Domestic and home-based care workers (NACE 97) are particularly vulnerable, as their employment is often characterized by weak regulatory oversight. Addressing informality through policy interventions and smart bargaining strategies is crucial for ensuring fair labour conditions in the sector.

Gender disparities further compound the difficulties in collective bargaining. Across all countries, women represent the vast majority (70-85%) of care workers, yet they continue to face wage disparities and limited career progression. While some countries, such as France and Italy, have taken steps to integrate gender-sensitive policies into bargaining processes, many others lack concrete strategies to address these inequalities. The undervaluation of care work remains a systemic issue that weakens bargaining power and discourages workforce participation.

Collective bargaining coverage in the social care sector remains highly uneven. Public-sector care institutions generally have more structured bargaining systems, while private-sector and domestic care workers are often excluded. Countries such as Italy and France have developed national-level agreements that cover both residential and domestic care, while others, like Czechia and North Macedonia, rely on company-level negotiations with limited sector-wide coordination. In some cases, such as Türkiye and Serbia, unionization rates are extremely low, reducing the effectiveness of collective bargaining.

Despite these challenges, the concept of 'smart bargaining' offers a pathway for strengthening collective representation and improving labour conditions. Countries are exploring innovative strategies, including expanding bargaining coverage to informal workers, addressing workforce fragmentation, leveraging digital tools, and improving negotiation frameworks. In Slovakia, efforts are underway to introduce a mid-level bargaining structure to include private providers, while France and Italy are experimenting with financial incentives to formalize employment. Digital tools are also emerging as a potential solution for enhancing worker engagement and union outreach, as seen in Romania and France.

At the European level, initiatives such as the European Directive on Adequate Minimum Wages and the establishment of the European Social Dialogue Committee for Social Services provide critical frameworks for strengthening collective bargaining. While the directive has had varying impacts across countries, it has contributed to raising wage floors and supporting collective bargaining efforts. European trade unions, including EPSU and UNI Europa, continue to play a significant role in facilitating cross-border cooperation and sharing best practices.

Moving forward, several policy recommendations can be drawn from this comparative analysis. First, extending collective bargaining to underrepresented groups, particularly domestic and private-sector care workers, is essential for achieving equitable labour conditions. Second, governments must invest in stable funding mechanisms to support wage increases and improve working conditions in the sector. Third, strengthening legal and institutional frameworks to promote social dialogue and sector-wide bargaining is crucial for reducing fragmentation and enhancing bargaining effectiveness. Finally, digital tools and innovative bargaining strategies should be leveraged to adapt to changing workforce dynamics and ensure the long-term sustainability of collective bargaining in social care.

While the challenges facing collective bargaining in social care are substantial, the opportunities for strategic and adaptive bargaining approaches are equally significant. By addressing workforce shortages, reducing informality, and expanding bargaining coverage, policymakers, unions, and employers can work together to create a more resilient and equitable care sector across Europe and beyond.