

THE VALUE OF DOMESTIC WORK

THE ECONOMIC AND SOCIAL ROLE OF EMPLOYER FAMILIES



The socio-economic impact of domestic work on the family



Firmataria del C.C.N.L. sulla disciplina del rapporto di lavoro domestico

THE VALUE OF DOMESTIC WORK

THE ECONOMIC AND SOCIAL ROLE OF EMPLOYER FAMILIES

Dossier 3

The socio-economic impact of domestic work on the family

Scientific director

(DOMINA - National association of domestic work employer families)

Lawyer Massimo De Luca

Work group (LEONE MORESSA FOUNDATION)

Prof. Stefano Solari

Dott.ssa Chiara Tronchin

Dott. Enrico Di Pasquale



FONDAZIONE
LEONE MORESSA

STUDI E RICERCHE SULL'ECONOMIA
DELL'IMMIGRAZIONE

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Introduction

by Lorenzo Gasparini, Secretary-General of DOMINA



We often speak about domestic work paying attention to the regulations that discipline it, but we rarely stop to reflect on the real economic and social impact of this sector on family balance and how it modifies habits and traditions within the family and the interaction between employers and workers.

With the data in hand, except for a slight inflection in the industry as highlighted in the first dossier, domestic work hasn't been affected by the economic crisis in Italy. Over the years families have discovered the many professional figures present in the CCNL, from chaperone to *dog sitter*, home help to butler, carer to gardener. The families themselves provide, with the legalising of the employment relationship, for giving space and dignity to a sector which until a few decades ago wasn't considered. From the economic point of view in fact, if on one side the crisis hasn't had an effect on the applications for home help and carers, on the other hand it has had an effect of the domestic work employer's wallet.

To face the cost; the employer turns to their own savings, limits the collaborator's hours, doesn't move away from the minimum contractual pay and often adopts informal ways. This informality influences all aspects of domestic work, from the search of personnel to the management of the employment relationship.

Another aspect neglected by most is the role of domestic work employers' integration representatives. In these times, where we reflect on social integration and the welcoming of people from different nationalities, we forget that Italian families have been carrying out this function for generations. According to the DOMINA observatory, from an analysis taken from a sample of members, in 2016 91% of hired live-in workers are foreign. From the social point of view the consequences are considerable, like how they have fallen on the nuclear family. Contact with people of different nationalities brings a cultural exchange and the sharing of habits and customs isn't always easy. Often the employer suffers for the forced sharing of their own spaces, as well as the fact of the possibility to speak with a person who doesn't speak Italian.

It is clear that to compensate for the government shortage the families have found an autonomous solution to the problem of family care, which presents multiple difficulties though. The first, amongst all the changes, is in the home; which goes from a private place to a work place. The issue, I feel pressed to highlight, is first and foremost cultural and then contractual. The domestic work branch of the CCNL, in its simplicity and brevity, is a good orientation instrument but alone it cannot solve the difficulties in the sector, let alone analyse them.

To dissolve the difficulties that involve the families a detailed and aimed study is necessary; one which allows reasoning on the binds between times of life, spaces and relationship that define the domestic experience. Exactly for this, research work concentrates on the study of occupational dynamics and on the critical points and needs of the family. Aspects that help to shed light on the employer's point of view and that help us to understand the current phenomenon: identifying trends and deciphering the problems of the services for the family sector. It can also prove an important key in anticipating and addressing future developments.

DOSSIER 3

The socio-economic impact of domestic work on the family



SUPPLY/DEMAND MATCHING

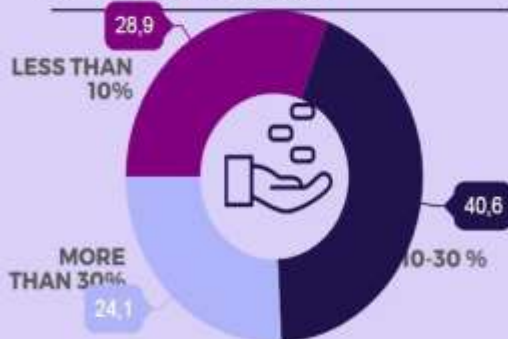
63,9% INFORMAL
 DIRECT KNOWLEDGE, FRIENDS,
 NEIGHBOURS
36,1% INSTITUTIONAL
 AGENCIES, ORGANIZATIONS

WORKERS WITH CERTIFICATED QUALIFICATION

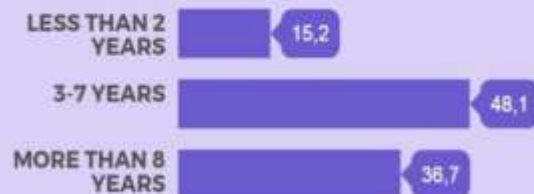


■ YES (2.70%) ■ NO (97.30%)

EXPENDITURE INCIDENCE for families with regularised domestic worker



YEARS OF EXPERIENCE



IMPACT OF PUBLIC GRANTS

The progressive slippage of public welfare encourages families to organise themselves for home care and helping people who are not self-sufficient.

11,6% Families that obtained public grants

Among these, for 68.5% grants cover less than 1/3 of the total expenditure

Objectives and methodology

As seen in the second dossier of this collection the world of domestic work is, almost quintessentially, characterised by a strong informality. This is mainly due to the fact that employers are physical people, not always experts on administrative and bureaucratic fulfilments and the meeting between application and offer has almost always been entrusted to a direct, personal relationship.

Also, the sector has undergone some strong changes in the last decade; management of which has almost always been given to the families, without public intervention.

In particular, there are three main direction changes:

- The total increase of the domestic work phenomenon, above all in the assistance of dependent people. The progressive ageing of the population and the growing participation of women in the work market has brought a higher request for domestic work on the part of Italian families, both in care of the home and assistance for people. To this you add the progressive recession of public welfare which has pushed families to find new solutions in caring for people and homes and therefore creating a parallel welfare which is managed by the families (c.f. Ambrosini, 2013¹).
- The increase of legalisations. The annulment of 2012 and the changes introduced in the CCNL in 2013 have brought about a higher legalisation of domestic work on the part of the families, taking the number of legal workers over 800 thousand.
- The entrance of women into the domestic work market. One of the effects of the crisis, from 2008 to today, is that of having pushed Italian women to enter (or re-enter) into the work market. Clearly, in many cases, domestic work (cleaning, house care, family assistance etc.) is one of the favoured areas for this transition, both in terms of skills and territorial proximity (very often these are collaborations among neighbours or acquaintances).

¹ M. Ambrosini, Irregular immigration and invisible welfare. Care work across the borders, 2013

Employer families, recognised as representatives of change, knew how to withstand the crisis and adapt the sector; almost always relying exclusively on their own resources.

The current dossier intends to analyse the employer families' point of view, giving voice to a very large and varied category. The main instrument used to analyse these dynamics is a questionnaire given to over 1700 employer families (mainly DOMINA associates), through which it was possible to understand the families' requests and their considerations of the 2013 national collective bargaining agreement.

The ultimate objective of this study is to observe the changes in the world of paid domestic work over the last few years, particularly characterised by the crisis, as well as trying to predict and assess the socio-economic impact of the sector.

The sample analysed

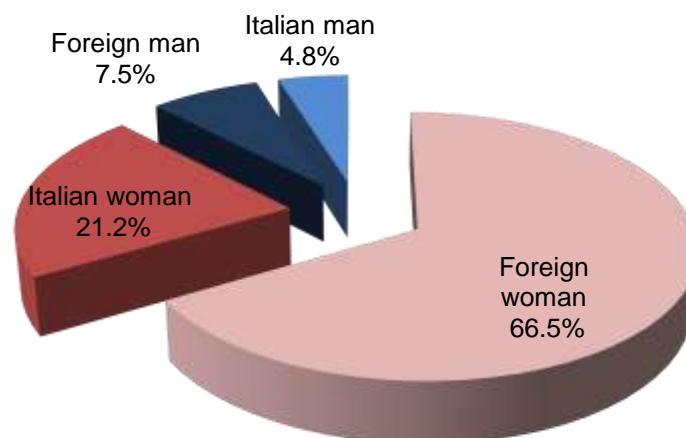
The sample involved in the survey includes over 1700 domestic work employers on a national level.

In the first part of the questionnaire the characteristics of workers hired by the responding families are analysed. Analysing the results by gender and citizenship (Fig. 1), the most significant element is made up of foreign women (66.5%): women represent a total of 88% of the sample, against 12% of men, while foreigners are 74% of the total. As far as age classes are concerned (Fig. 2), foreigners show a slightly lower average (40 years against 43). In particular; amongst Italians the over 50 element is more consistent (30.6% against 13.8% of foreigners). As we have said, Italians represent 26.4% of workers hired by the respondent families. The remaining 73.6% shows a strong fragmentary nature: the most represented nationality is Romania (17.7% of the total), followed by the Philippines (12.1%). No other nationality exceeds 10% of the total. Observing the same figure, by geographic area, a strong presence of European countries is registered: 28.2% EU (mainly from the East, especially Romania and Poland) and 16.3% non-EU (mainly Ukraine, Moldova and Albania).

Fig 1. Gender and citizenship of domestic workers

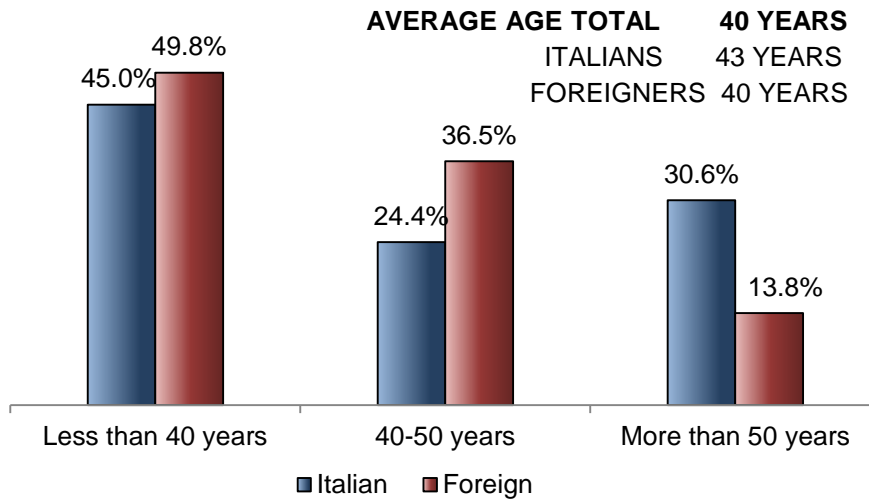
DOMESTIC WORKERS 26% ITALIAN 74% FOREIGNERS
12% MEN 88% WOMEN

GENDER AND CITIZENSHIP



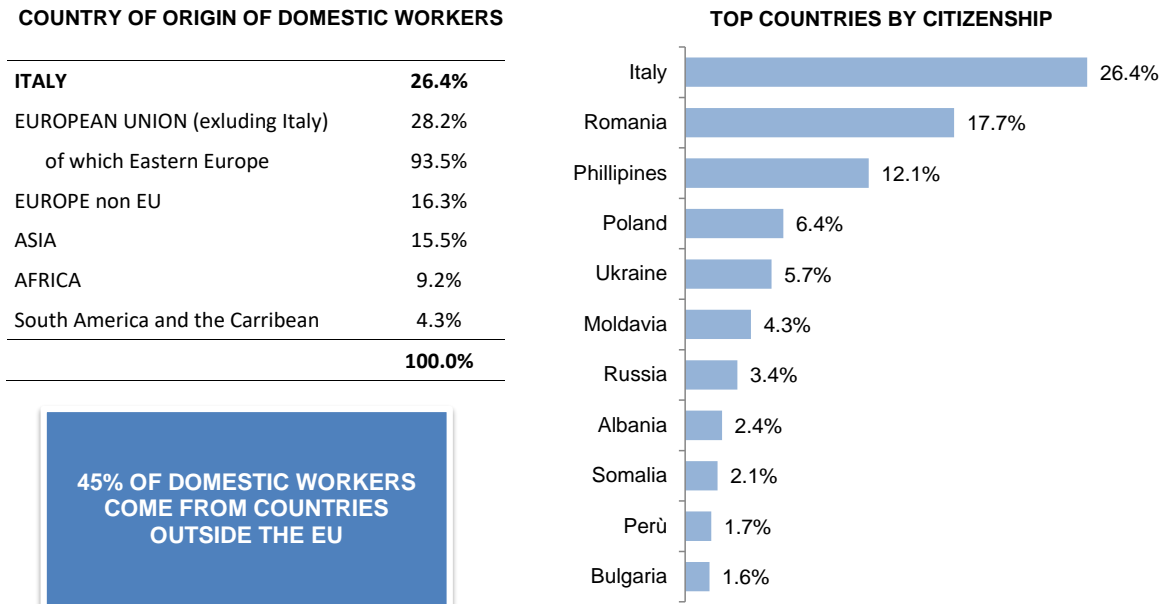
Fondazione Leone Moressa elaboration on employer families' survey

Fig 2. Domestic workers' age group



Fondazione Leone Moressa elaboration on employer families' survey

Fig 3. Origin area of domestic workers

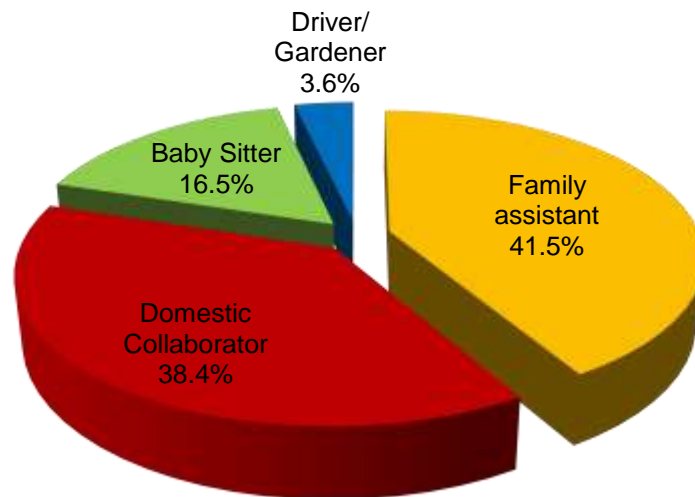


Fondazione Leone Moressa elaboration on employer families' survey²

² EU values referred to EU-28

Lastly, in the analysis of domestic workers involved (indirectly) in the survey, it is interesting to observe the type of work. For 41.5% it involves family assistance (carers), while for 38.4% it is made up of domestic collaborators (home help). Whilst the INPS classification is limited to these two categories, in reality many more aspects exist: for example, 16.5% is made up of babysitters, as well as a small component of other professions such as drivers and gardeners (3.6%) Amongst carers there is a minor incidence of Italians registered (12.4%), whilst among babysitters, drivers and gardeners there is over 50%.

Fig 4. Types of domestic work



Type of worker	Incidence of Italians
Family assistant	12.4%
Domestic collaborator	27.2%
Baby sitter	53.9%
Driver / Gardener	51.6%
Total	26.4%

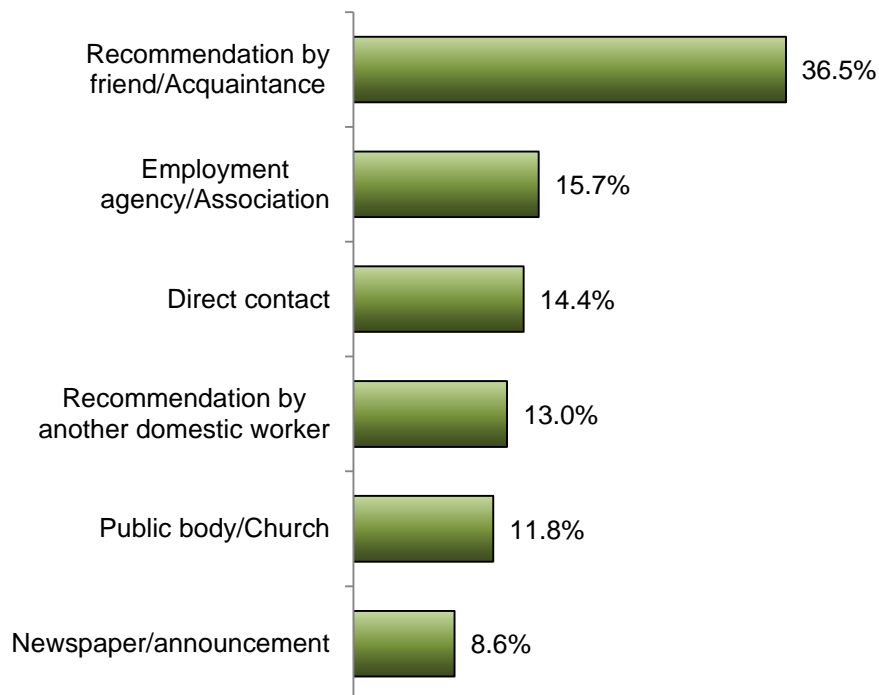
Fondazione Leone Moressa elaboration on employer families' survey

Survey results: matching supply and demand

After having described the personal characteristics of the sample (families) and paid domestic workers, in this section we will analyse the main results of the questionnaire, paying particular attention to contractual aspects and expertise.

The first figure confirms the idea that the meeting between application and offer (Fig. 5), in this sector, is especially little institutionalised. More than a third of families met the worker thanks to “word of mouth”, in other words on the recommendation of friends or acquaintances. Apart from the role of temporary work agencies or other category associations (which collect 15.7%), other channels that are also used a lot are direct knowledge (14.4%) and the recommendation on the part of other domestic workers (13%). Overall, therefore, more than 65% of selections come about by acquaintance or other recommendation, on the part of acquaintances or other domestic workers. The role of public bodies and institutions, are on the other hand is very limited.

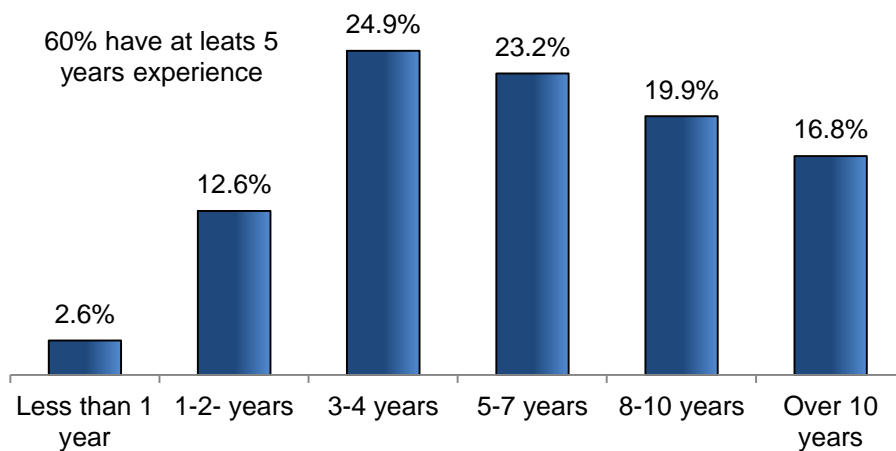
Fig 5. Channels for the selection of domestic personnel



Fondazione Leone Moressa elaboration on employer families' survey

The survey's sample also offers interesting cues on the experience of domestic workers. Italian families tend to trust people with references and with different years' experience; given the delicate job that is assigned to them both in the care of people and of the home. In fact, amongst domestic workers, apart from the fact that the required skills needed call for a good amount of experience in the field, 60% have at least 5 years' experience and 16.8% even have more than 10 years. (Fig. 6).

Fig 6. Years' experience of domestic workers



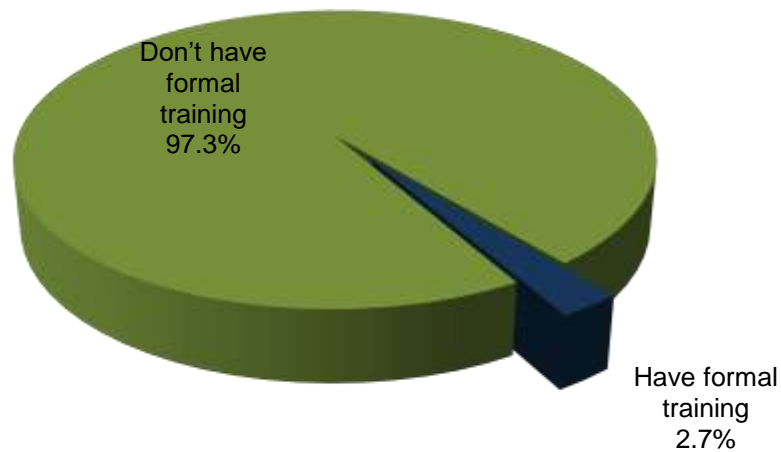
Fondazione Leone Moressa elaboration on employer families' survey

Other than the years' experience, we need to also ask ourselves if the domestic personnel has the necessary expertise or not, above all considering the growing application for assistance to dependent people or those with specific needs (Fig. 7). The analysis of the responses would seem harsh: only 2.7% of those interviewed confirm that the domestic worker has professional training (in most cases this means regional courses linked to assistance, in particular the position of healthcare operator is mentioned - OSS).

Nonetheless, we need to consider the specific nature of domestic work contracts, born in most cases from situations of urgent necessity (both for the family and the worker) which is why in many cases the expertise, even if not certified by an educational qualification, is matured in the field (cf. Fig. 5). In addition, as far as foreign workers are concerned, a revealing factor about the recognition of qualifications gained abroad is that they aren't always valid in Italy.

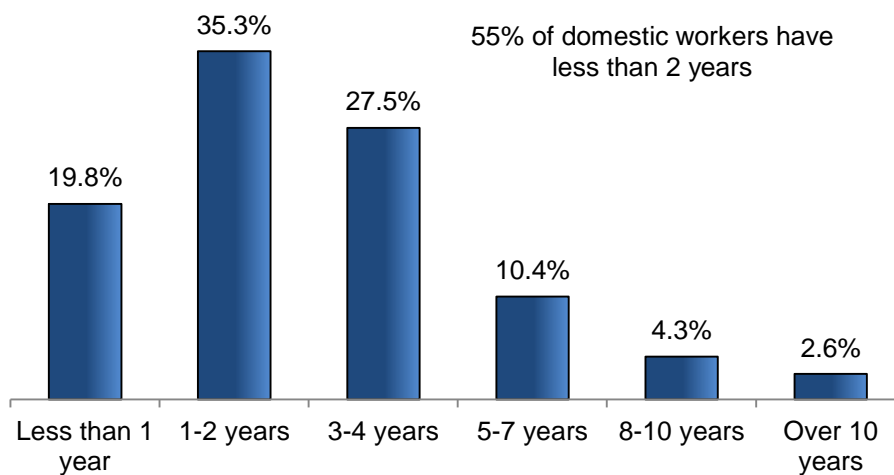
The last aspect relevant to the relationship between family and worker that emerges from the survey concerns the number of years in which the family depends on a domestic worker (Fig. 8). In this case over half of the families hired a domestic worker for less than two years; this underlines yet again the expansion of the sector in the last years.

Fig 7. Domestic worker’s professional training



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Fig 8. Years that the families use a domestic worker



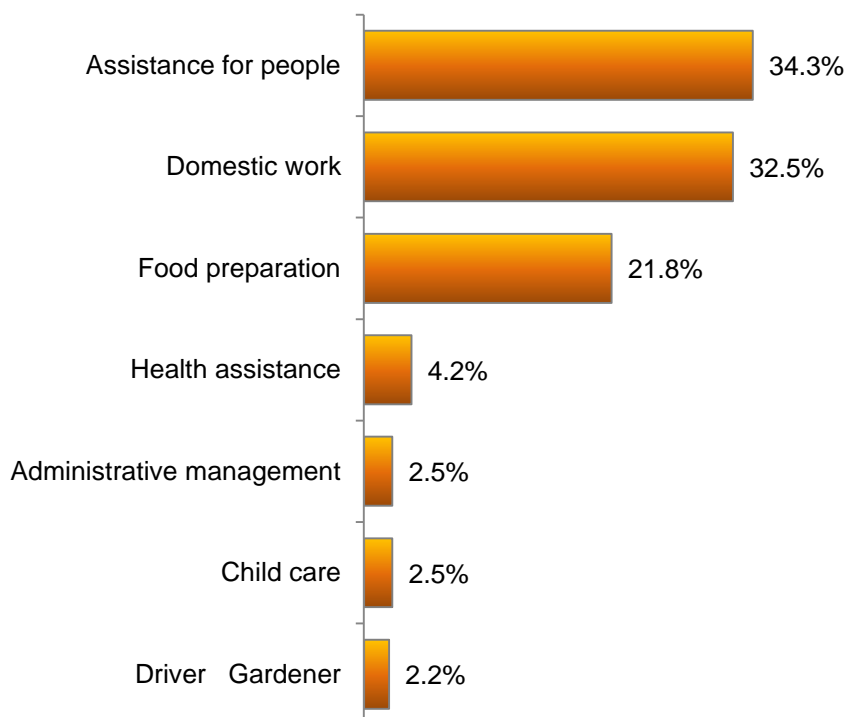
Fondazione Leone Moressa elaboration on employer families’ survey

Contractual aspects

Entering into the contractual characteristics, let's observe the main tasks carried out by paid domestic workers. Over 65% is divided amongst carers (assistance of people, 34.3%) and home helps (domestic work, 32.5%). Around a fifth take care of preparing food (21.8%), while all the other tasks have a lot less numbers.

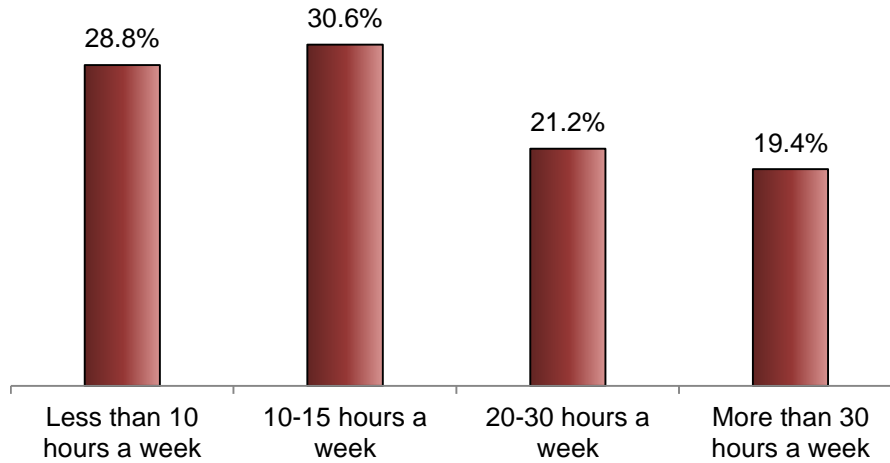
As far as working hours are concerned, we note a certain fragmentary nature. The most consistent part of the sample work 10-15 hours a week, but there is also a good percentage (28.8%), that work less than 10 hours. However, over 40% do more than 20 hours. Monitoring the hours worked is a major issue also in the light of illegal and "grey" work.

Fig 9. The main tasks



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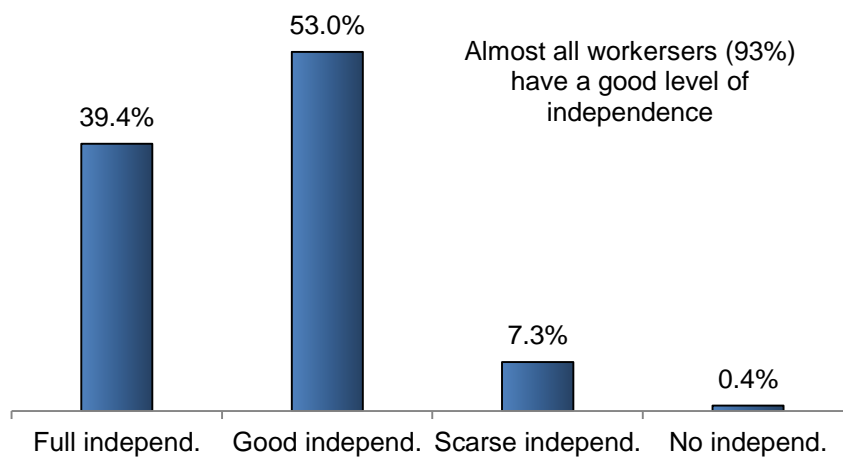
Fig 10. Hours of work



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For a very large majority of those interviewed (93%), their domestic worker has a high or full autonomy in carrying out their duties. This is another element in support of the domestic worker's loyalty, very often "guardian" of the house or of dependent people.

Fig 11. Level of autonomy



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The main problems

Continuing with the analysis of the characteristics of domestic work relationships; it is clear that the workers and employers can live difficult situations, in this case amplified by the lack of institutionalisation of the sector. Collecting the impressions of some experts in the sector, it is possible to trace a first overview of the phenomenon, with the main problems from both the worker and employer's point of view; summarised in table 1.

From this picture it appears clear that both parties live difficult situations, mainly due to the necessary and emergency situation in which they find themselves working. Both the worker and the employer, in the period of the domestic collaboration relationship, find themselves having to manage personal relationships in a particular context; like the domestic one (Many times cohabiting). If from the employer's part there are difficulties in managing the administration, usually due to the lack of specific skills (such as payslip management), it must be underlined that the work load for a family assistant often goes beyond the expected activities; both as tasks and working hours, especially in situations of cohabitation. Lastly, from the employer's part; the incidence costs of management need to be highlighted, which in addition to actual work costs (wages, food, housing, taxes and contributions) often includes other services such as utility bills and any gifts.

The diagram below helps us to understand the point of view of both parties and can offer interesting cues if compared to the survey results. According to the employers interviewed, the main difficulties are linguistic comprehension and different eating habits; clearly referred to the presence of immigrant workers (Fig. 12). This is followed by contractual difficulties, in particular the management of free time and salary. DOMINA has also observed, in a work sector which often doesn't have the work contractual culture, that other important difficulties are met at the meeting of the two parties phase. In the so-called interview, in which little importance is given to fulfilling legislations and legal obligations, in particular in the declaration to INPS of hiring and payment of contributions.

Tab 1. Summary of the main difficulties for employers and domestic workers

Main difficulties for the employer	Main difficulties for the worker
Situations of necessity. In many cases the employer would do without carers or home helps, but they need them	Situations of necessity. In many cases the worker hasn't chosen this profession for a vocation or pleasure, but for necessity
Difficult relationship with the worker (personal relationship, reduction of personal spaces and privacy in their own home, different habits, language)	Difficult relationship with the employer (above all for cultural differences, language, employer's inability to relate with respect). At times this makes the relationship with the assisted person's family difficult
Lack of administrative/bureaucratic skills (work contract, payslip management, Christmas bonus, severance indemnity, contributions)	Work hours / Free time. Very often the worker has few breaks and needs to be alert also during the night. The lack of personal time prevents you from reconciling family life with work. Difficulty also in personal relationships and various administrative tasks
Very high management costs (salary, taxes and contributions, board and lodging, added services – telephone, internet, etc.)	Tasks carried out. Often more than expected (medical, administrative, etc.)

Source: Interviews with key participants

Fig 12. Problems with domestic worker

In 62% of cases, no problems are highlighted



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Economic resources for family assistants or family collaborators

According to an estimate made on INPS data, the amount of total business of paid domestic work is about 7 billion euros, apart from the non-standard component estimated at the same amount. This is a yearly expense of the families; including salary, severance indemnity, taxes and contributions. Clearly we are talking about a considerable figure for the average family, scarcely supported by public subsidies.

For 70% of the families interviewed that have a legal employment relationship, the total cost of a domestic worker is about 30% of the total family budget (Fig. 13). For a quarter of families, the cost exceeds 30%.

In many cases, other than the cost of the salary and taxes, there are also other added costs to be considered, for the services guaranteed to the worker (Fig. 14), like board and lodgings (for 31.3% in the case of cohabitation), but also for local methods of transport or telephone and internet use. Also, almost 9% have had to have work done to make the house adequate for hosting a live-in worker. In some cases the employer also faces administrative costs for the worker's residency or medical expenses.

The cost of a domestic worker also highly depends on the placement level and the hours worked, which impact the payment of social security contributions. The clarification explains one of the variables that affect the family budget, in addition to the economic earnings of the families interviewed. However, albeit not present in the sample examined, DOMINA also gives voice to a part of employers that have little economic assets. These employers, forced by the strong health needs, agree with the worker for an employment relationship at a lower cost just to have assistance. DOMINA also represents cases in which the elderly or poor employers are economically supported by their own families to cover the whole cost of domestic work, as well as house and daily living costs. A common economic sacrifice extended to family members for the sake of their loved ones.

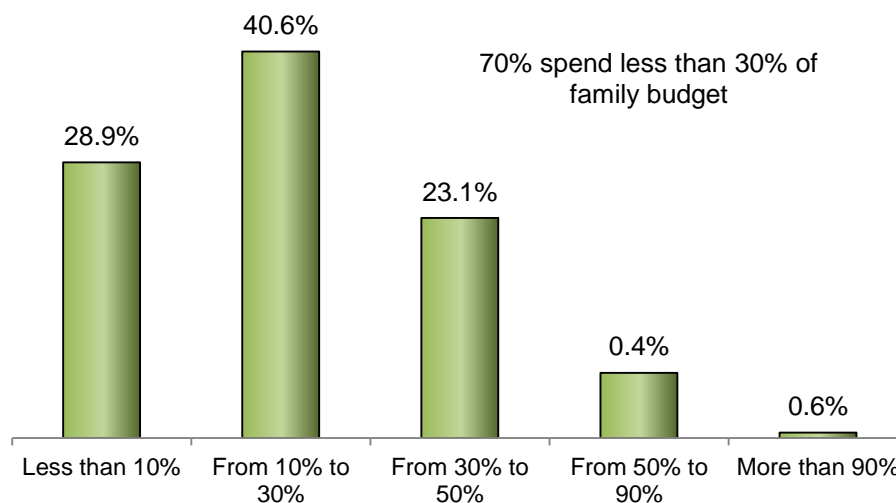
Furthermore, one of the most relevant questions involves public subsidies supplied to the families. According to the results of the survey, only 11.6% have received public help to face the cost of domestic work. Therefore 90% rely on their own funds. Amongst the most widespread help, the accompaniment allowance is the

most used (59.4%). The civil disability pension follows (33.3%). Much less used are regional or council care allowances, the home care premium and babysitting vouchers.

Amongst those who have received public subsidies (11.6% of the total interviewed), these things have a modest impact on the family budget.

If the subsidies concern a small part of the families, the use of the deduction of the worker's cost in tax declarations is more widespread (Fig. 17). Most of the families interviewed (69.3%) feel that they need to "claim" more costs of domestic work, while 26.7% feel that the deductions represent an inconsistent help. Only 3.9% consider the measure of the detraction to be adequate.

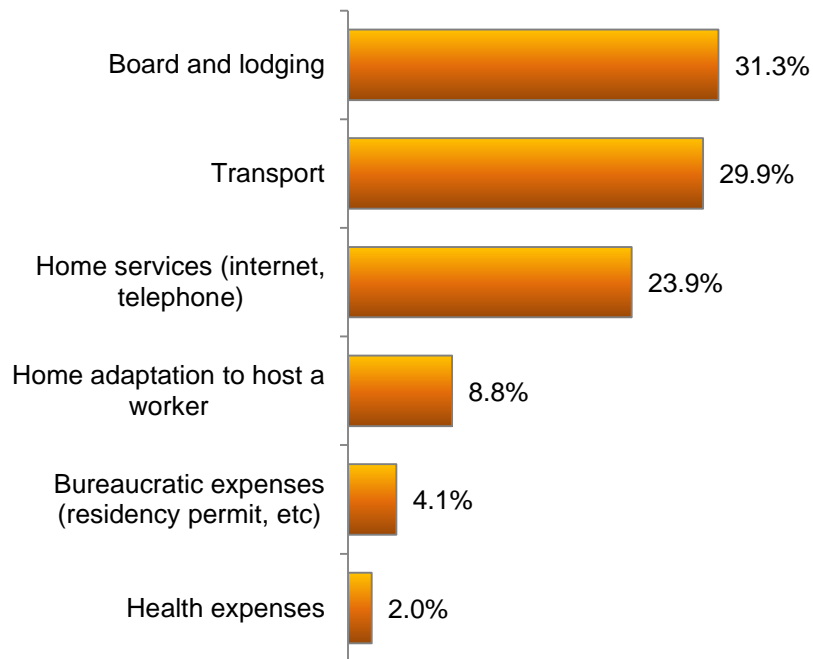
Fig 13. The incidence of the domestic worker costs on a family's monthly budget



Fondazione Leone Moressa elaboration on employer families' survey

Fig 14. Added costs, other than salary

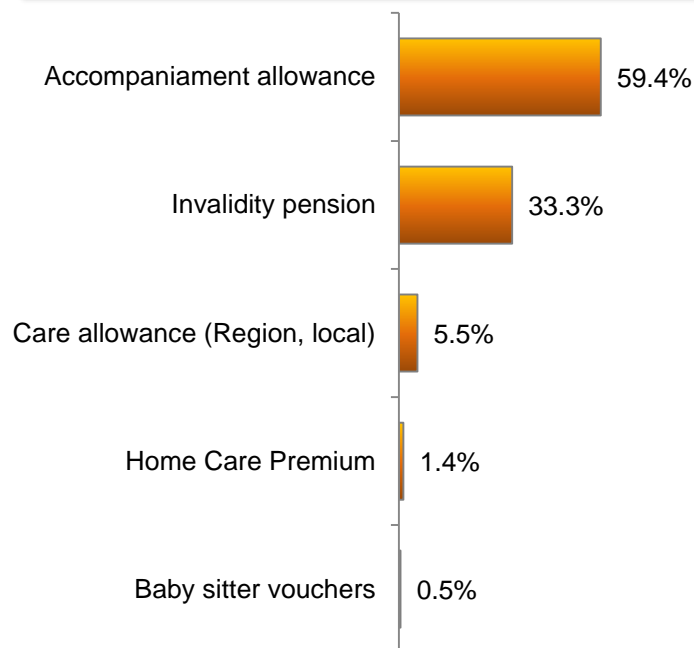
In 37% of cases there are no additional expenses



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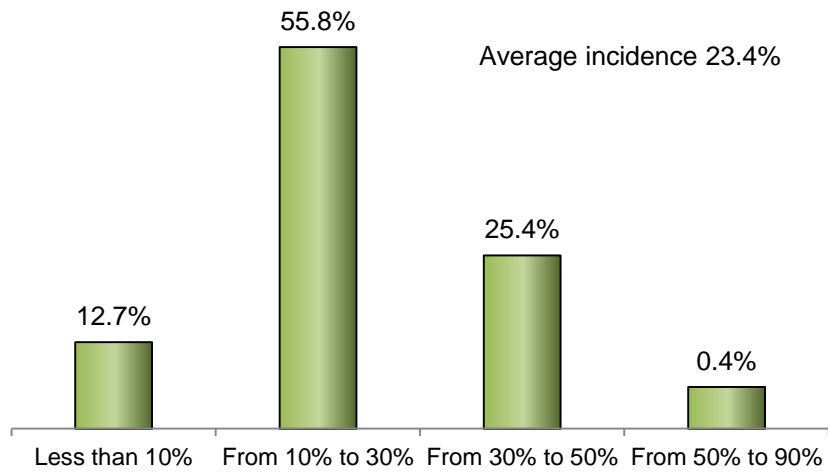
Fig 15. Type of public help (Government/local bodies) received by the families *Figures refer only to the 11.6% that receive help*

ONLY 11.6% DECLARED TO RECIEVE HELP



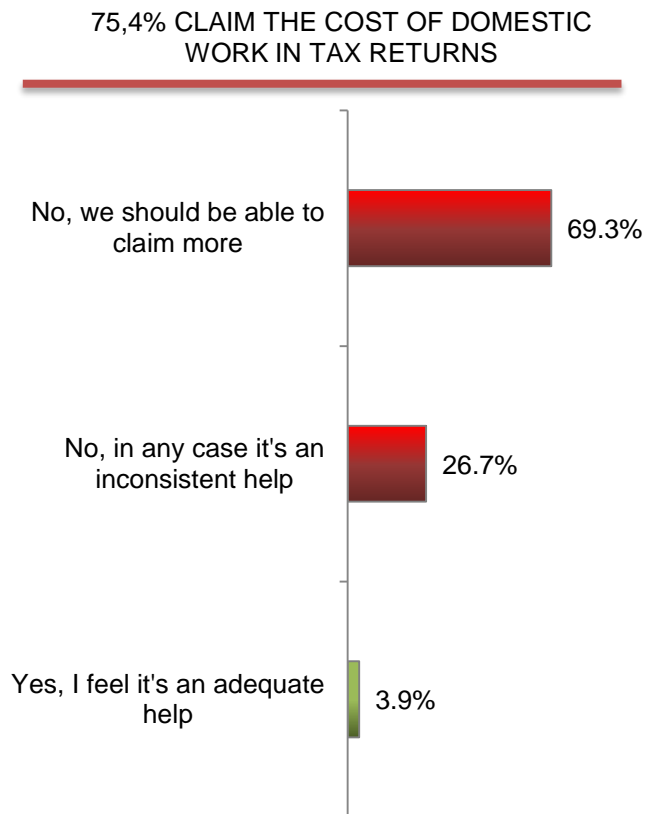
Fondazione Leone Moressa elaboration on employer families' survey

Fig 16. The incidence of public "help" for the domestic worker on the family's monthly budget *Figures refer only to the 11.6% that receive help*



Fondazione Leone Moressa elaboration on employer families' survey

Fig 17. Do you feel that current tax deductibility policies, in order to be able to claim domestic worker's costs in tax returns, are adequate ?



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In-depth analysis of the average costs of domestic work

After having generally analysed the situation of domestic workers, in this section we will attempt to deepen the analysis of average hourly and monthly costs by placement or duty type (assistants/collaborators). We will take into consideration the two types which are very different from each other, for hours, responsibility, live-in situation or not, etc. Let's remember that the levels are: A, A super, B, B super, C, C super, D and D super. The super levels concern duties of family assistant while the others concern domestic collaborators. The second large-scale difference that affects domestic work, also in terms of cost, is whether the worker cohabits or not. Given that in the first case the monthly salary is fixed, independently from the hours worked, except for exceptions. In the case of non-cohabitation, the work is paid hourly in proportion to what is worked. Following are the two large-scale profiles and the main economic characteristics (Box 1).

Family assistants are on the whole "adult" women; 41.3% are between 40 and 50 years old and 21.3% are over 50 years. There is a strong presence of foreigners (88% of cases), in particular from Eastern Europe (32%) with Romanian the prevalent citizenship (23%). The main activities are assistance with people and food preparation. The strong presence of foreigners in this profession is seen also in the language problems found and in the difficulties in adapting to different eating habits. Most assistants work more than 20 hours a week, in 37% of cases they work more than 30 hours a week.

The "full time" hours involves a considerable cost for the family, over 30% of the family's monthly earning for 48% of families. Also, in 67% of cases, there are also added costs other than salary; such as board and lodgings or new utilities (internet). Only 27% of families receive economic public support; which covers, on average, 23% of total costs.

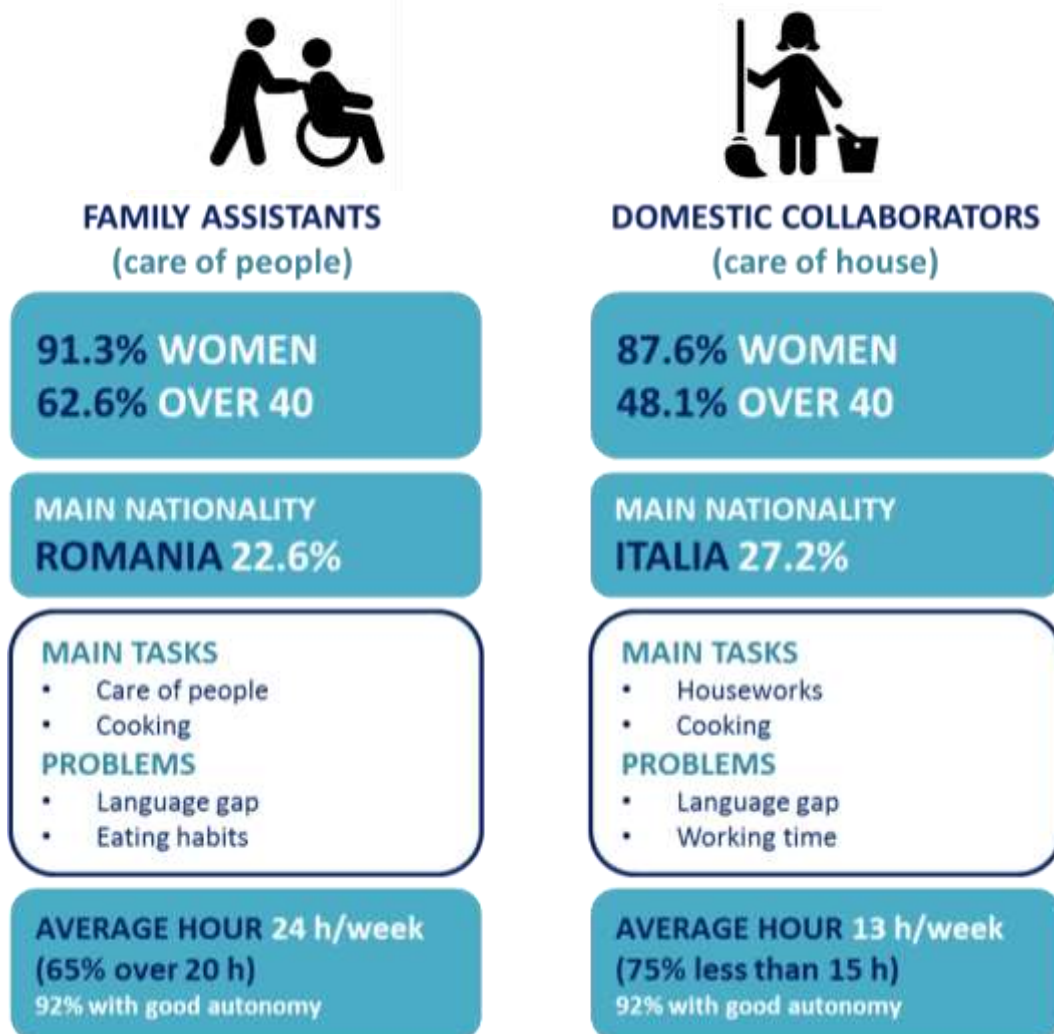
Domestic collaborators are mostly "young" women; 52% are less than 40 years old. There is a lower presence of foreigners compared to family assistants (73% of cases); the first two nationalities are Italian (26.9%) and Filipino (20.5%). The

duties of these workers concern domestic works and food preparation. Amongst the problems highlighted by the families are language misunderstanding and management of working hours and days off. On average these workers work 13 hours a week, 75% work less than 15 hours; in most cases, therefore, we're talking about "part-time".

The majority of families spend less than 30% of their monthly earnings and only in 39% of cases are there other added costs, which are reduced to transport costs and new utilities in the home.

The particularity of the job doesn't give a right to economic support from the part of the government or local bodies, while the only support pointed out by the families is the possibility to claim the cost in the tax return (71%).

Box 1. Comparison between family assistant / domestic collaborator



Fondazione Leone Moressa elaboration on employer families' survey

As emerged from the sample survey; the cost of a domestic worker for the family significantly affects the family budget. Box 2 shows, in a synthetic way, the estimated total cost that the family faces according to the type of domestic worker (always supposing there is a permanent work contract).

As far as hourly workers for live-out workers are concerned, supposing 5 working hours a week; the annual cost actually sustained by the family varies between €1649.29 (level A – Collaborator with less than 1 month experience) and €2751.12 (level DS – Assistance for the dependent – trained).

Amongst live-in workers, supposing a work relationship of 54 hours a week; the total cost goes from a minimum of €11,407.08 (level A – Collaborator with less than 12 months experience) to a maximum of €21,842.52 (level DS – Night assistance for the dependent – trained).

As far as night assistance is concerned, supposing 40 hours a week; the actual annual cost varies between €15,798.84 (level BS – Night assistance for the sufficient) and €21,274.68 (level DS – Night assistant for the dependent – trained).

For part-time live-in contracts, it goes from €9437.28 annually for level B (multipurpose collaborator) to €10,706.88 for level C (cook).

Lastly, for each type of contract, the forecasts of the maximum deductible amount that can be claimed in the tax returns regardless of the number of employees are reported; based on the first income bracket.

Box 2. Annual cost forecast home help/carer by type of work and contractual level (permanent contract)

Domestic work contract for 54 hours a week cohabitant				
CCNL, article 15, 1° clause - (up to 54 hours) - Table A –DOMINA Elaborations				
LEVEL	WEEKLY TIMETABLE	MONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
A	54	950.59	11,407.08	356.36
AS	54	1082.85	12,994.20	356.36
B	54	1148.98	13,787.76	356.36
BS	54	1215.10	14,581.20	356.36
C	54	1281.25	15,375.00	356.36
CS	54	1347.37	16,168.44	356.36
D	54	1741.31	20,895.72	356.36
DS	54	1820.21	21,842.52	356.36

*The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer, and the substitute board and lodgings allowance.

Domestic work contract for 25 hours a week with cohabitation part-time				
CCNL, article 15, 2° clause (up to 30 hours) - Table B –DOMINA Elaborations				
LEVEL	WEEKLY TIMETABLE	MONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
B	25	786.44	9,437.28	233.22
BS	25	819.51	9,834.12	233.22
C	25	892.24	10,706.88	233.22

*The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer and the substitute board and lodgings allowance.

Domestic work contract for 5 hours a week without cohabitation				
CCNL, article 15, 1° clause (<i>less than 24 hours</i>) - Table C –DOMINA Elaborations				
LEVEL	WEEKLY TIMETABLE	MONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
A	5	137.44	1649.28	63.40
AS	5	158.12	1897.44	63.40
B	5	166.22	1994.40	63.40
BS	5	174.76	2097.12	63.40
C	5	183.34	2200.08	63.40
CS	5	191.91	2302.92	63.40
D	5	220.69	2648.28	71.15
DS	5	229.26	2751.12	71.15

*The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer.

Domestic work contract for 40 hours a week with occasional night work duties				
CCNL, article 11 (<i>8pm – 8am timetable</i>)- Table D - DOMINA Elaborations				
LEVEL	WEEKLY TIMETABLE	COMONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
BS	40	1316.57	15,798.84	356.36
CS	40	1468.67	17,624.04	356.36
DS	40	1772.89	21,274.68	356.36

*The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer and the substitute board and lodgings allowance.

Domestic work contract for night presence
CCNL, article 12 (9pm – 8am timetable – unique level) - Table E – DOMINA Elaborations

LEVEL	WEEKLY TIMETABLE	MONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
PN	40	939.64	11,275.68	356.36

* The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer and the substitute board and lodgings allowance.

Domestic work contract for assistance during the regular worker's days off -
CCNL, article 15, 9° clause (less than 24 hour timetable) - Table G –DOMINA Elaborations

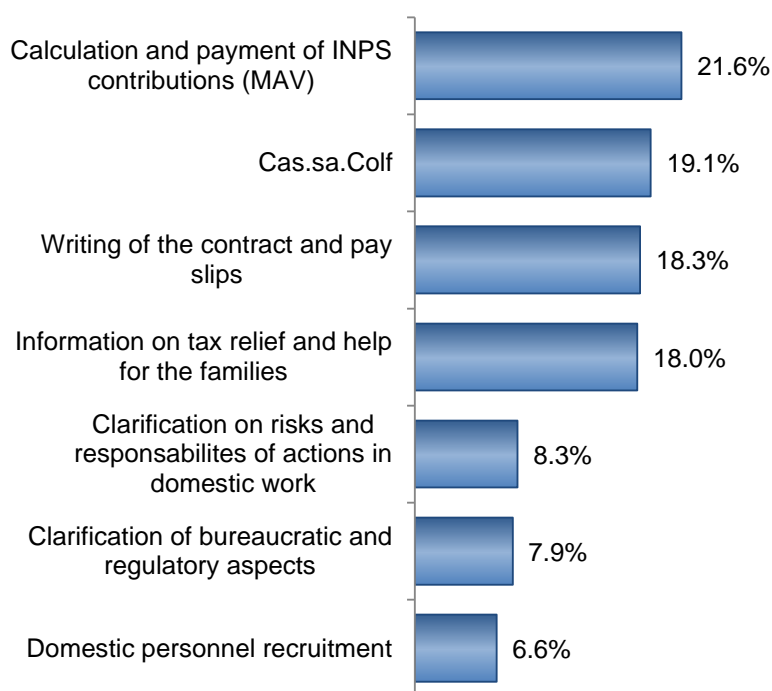
LEVEL	WEEKLY TIMETABLE	MONTHLY COST*	ANNUAL COST*	ANNUAL DEDUCTIBLE AMOUNT
CSC	12	491.37	5896.44	152.13
DSC	12	587.68	7052.16	170.79

*The estimate costs includes gross pay, Christmas bonuses, severance indemnity, monthly INPS contributions and Cas.sa.Colf, at the expense of the employer and the substitute board and lodgings allowance.

The main needs of the domestic work employer families

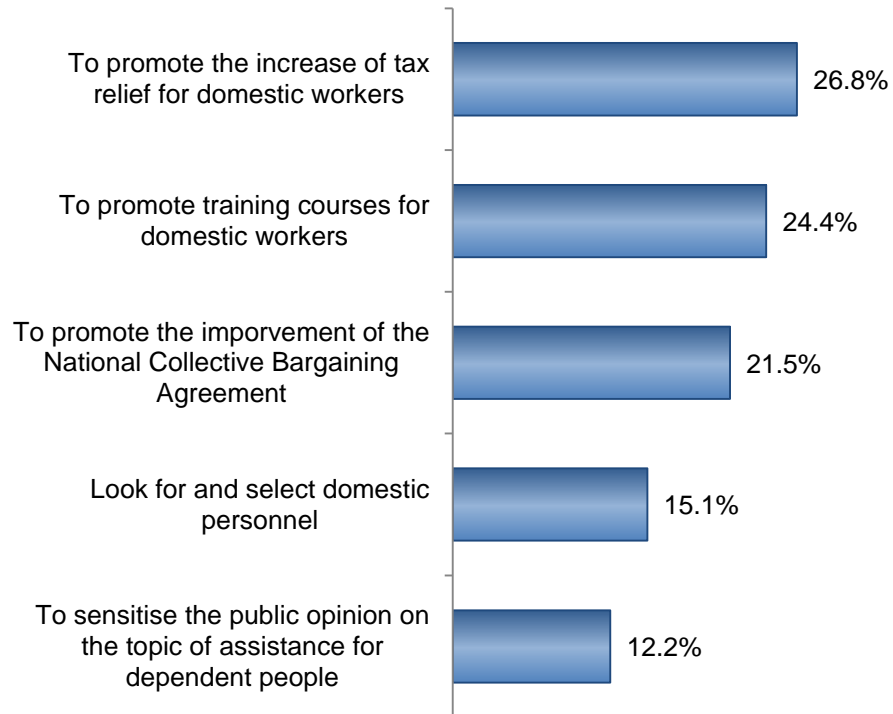
Finally, the employer families were asked to express their needs and requests, with particular attention towards the requests put forward concerning intermediate associations and institutions. This enables, from one side, to sketch out some scenarios that can be fulfilled in the next years; while from the other side represents an interesting stimulus for institutions, with the objective to meet the families' concrete needs. The families that consider themselves little but experts in the employer role, ask a higher intervention of information. That is; more indications for calculating INPS contributions and for managing Cas.sa.Colf. A higher assistance from employer associations is also requested; in the phase of writing the contract and payslips, but also information about tax relief and public/private subsidies. Families also ask category associations a more effective union action, in particular for promoting tax policies and for help for the family. Many also point out the need to promote training courses for domestic workers, or to promote improvements to the CCNL. Essentially the families' replies highlight a double need of domestic work employers: services and representativeness; bringing daily needs to a national level, with the objective of reducing the welfare burdens for the families.

Fig 18. Areas in which employer families need to be informed



Fondazione Leone Moressa elaboration on employer families' survey

Fig 19. Actions that an employer's category association should support



Fondazione Leone Moressa elaboration on employer families' survey

Conclusions

by Massimo De Luca, lawyer for DOMINA association

We have learnt to understand the figure of “maid” through historiography, tales, legends and art from every century. It is clear how, in the last years, the domestic work profession and the employer have changed image and role. Today domestic work has become a real and proper need on which many families put their trust, representing in some cases the only opportunity for assistance for a person. The domestic worker, compared to the not so distant past, can trust safeguarding and contract guarantees, even with the support of union action.

But today, how much does a domestic worker cost the family ? The effect on a family’s budget, as shown by the research, isn’t small. Hiring a domestic worker affects, on average, between 10 and 30% of a family’s finances; in extreme cases – elderly with a social pension – it can reach to affect up to 100%, bringing with it economic and social impoverishment.

According to recent Istat figures, in Italy absolute poverty affects 6.1% of resident families (4 million 598 thousand individuals) and 10.4% are relatively poor (2 million 678 thousand). Resources (salaries, pensions, savings, etc.) on which to depend are not infinite and the institutional helps in the family services sector seem to shake their responsibility: they are difficult to request, slow to obtain and don’t cover even half of the costs.

To contain assistance costs, the families try to cut family and personal expenses, acting on 2 main fronts: on one side they try to contain expenses avoiding legalising domestic workers and on the other hand, they cut the expense of private medical care.

The disguised employment and the consequential tax evasion is one of the most widespread problems in the domestic sector. The estimate, according to which the biggest *tax gap* in Italy of about 30% is found precisely in family services, gives us confirmation. A further demonstration of this tendency is the lowering of domestic workers registered with INPS: after a period of constant growth; the number of registered collaborators hired for care and assistance registered, between 2013 and

2015, a decrease of 12.7% even though the application, or better, the need shows no sign of lowering.

The other front, certainly not expected, which we are discovering in the last years is the cut of the private health care cost. The first sign of this tendency was revealed in the Censis report "Welfare, Italy. Laboratory for new social policies". According to this report, in 2013 the private health cost recorded a 5.7% decrease (dropping to 26.9 billion euro), the value per person has fallen from €491 to €458 a year and Italian families have given up a total of 6.9 million private medical services. To this we add Istat figures, according to which there are 316,402 nuclear families who are impoverished due to medical services made privately. It's not difficult to imagine how a family, in the midst of their dignity and reaching the point of cutting the costs of their own health when faced with the need to respond to an assistance need for a loved one, doesn't legalise the domestic worker called to help them. From the sacrifice of their own health to the economic saving on domestic work (illegal work and grey work), the passage is short. The use of a family assistant figure for a loved one is related to a general disincentive in public spending that has fallen on the shoulders of the citizen and the family, with worrying effects. Without an immediate public intervention, we will witness the progressive concession of family public welfare, with alarming scenarios. There is already a trend reversal compared to a consolidated phenomenon by which family resources have balanced the reduction of public welfare for years.

Let's not forget that in Italy the family has a relevant social, economic and productive role. Its functions are not recognised though at all levels. There needs to be a decisive change in the government's attitudes towards one of the "business structures", amongst the most productive in the Italian economic overview. After having overcome the crisis of the last years; to accompany young generations in building themselves a future, the family today finds themselves for the umpteenth time having to make up for government shortages; assisting children or elderly who need help, at home.

If we aren't able to refresh the health system and have the assistance like in the past, we need to urgently intervene in the policies of tax evasion within domestic

work. Even if this proves to be a battle of all battles of sector workers, it's not in my opinion the solution to the costs of domestic work.

Bonuses and "one off" interventions aren't sufficient. The invalidity pensions with the accompaniment allowance are not sufficient to guarantee the minimum salary to an assistant for dependent people. The cost of a nurse could call into question the opportunity to return to work for a working mother.

The government has to invest in family welfare to allow the families to distance themselves from a position of resignation and deprivation that is also affecting family finances themselves. Domestic work employers are in turn workers, who have a right to the Christmas bonus, severance indemnity and monthly pay. The Christmas bonus is a bonus that was introduced to guarantee workers a higher economic supply in a particular period of the year. More and more often though, the families deprive themselves of this added monthly pay in order to pay the Christmas bonus to their domestic worker. In the same way as the Christmas bonus; one of the items of so-called compulsory welfare with the aim of saving money to be able to deal with life without work is used to pay domestic workers, who in turn have the right to receive it.

It is clear that a focussed intervention to lighten the families' burden is necessary since in the years to come, as analysed in the former DOMINA dossiers, the increase of applications for assistance will continue with a fast rhythm and families won't be able to maintain a policy of depriving the resources useful in the continuation of family life. The solutions needs to be researched in the analysis of the variables involved. A first reflection has to be done about domestic work employers; an atypical figure that can't be treated in the same way as any other entrepreneur since they gain no profit from the hours spent for their workers, but they supply a salary in order to replace a government failure.

The institutions should also launch a policy of tax exemption for domestic work, a system of tax incentives. Wanting to take on a wider perspective about the families, we note that our domestic work employers, in the midst of their functions, at the same time cover also the role of public or private agency workers. Considered that for the agencies, therefore not for the families, profit is the end goal of the activity, it would be appropriate to identify business policies on tax exemption, aimed at

domestic work support. It could also be interesting for agencies to offer the opportunity to make benefits payable to their employees, who are in turn domestic work employers, with the goal of being able to support at least the monthly salary cost of the hired home help to take care of a family. The initiative, as well as bringing tax benefits to businesses, as already happens for the “nurse” benefit available to employees, could also be a support for domestic employers’ income by stemming personal privations, as well as favouring the bringing to the surface illegal work.

THE VALUE OF DOMESTIC WORK

THE ECONOMIC AND SOCIAL ROLE OF EMPLOYER FAMILIES

Research report by **DOMINA**

(National association of domestic work employer families)

Work group: **Fondazione Leone Moressa**

- DOSSIER 1.** Profile of domestic work employers in Italy. Dimensions of the phenomenon, population trends, economic and social impact
- DOSSIER 2.** The National Collective Bargaining Agreement on Domestic work and its future prospects.
- DOSSIER 3.** The socio-economic impact of domestic work on the family.
- DOSSIER 4.** Domestic work policies concerning the ILO Convention n. 189/2011. The Italian situation and international comparison.
- DOSSIER 5.** Welfare policies in support of employers' households: European comparison.
- DOSSIER 6.** Care economy: domestic employers as economic actors.
- DOSSIER 7.** Criminal offenses in domestic work.
- DOSSIER 8.** Domestic work and disability.
- DOSSIER 9.** Domestic work in Italy: regional deepening.
- DOSSIER 10.** Disputes in domestic work: balance between legality and necessity.

THE VALUE OF DOMESTIC WORK

THE ECONOMIC AND SOCIAL ROLE OF EMPLOYER FAMILIES

Dossier 3

The socio-economic impact of domestic work on the family



Firmataria del C.C.N.L. sulla disciplina del rapporto di lavoro domestico

DOMINA - National association of domestic work employer families, signatory of the National Collective Bargaining Agreement on the discipline of the domestic employment relationship. Safeguarding and assisting Italian families who, by taking on a domestic collaborator or a family assistant, become employers.

The Association is active throughout the country with its Operational Points in support of domestic work employers.

NATIONAL OFFICE

Viale Pasteur n. 77 – 00144 Roma

TEL. 06 50797673

FAX 06 5071124

segreteria@colfdomina.it

www.associazionedomina.it

