



# COUNTRY REPORT SWEDEN

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### Introduction

As a typical example of a **Nordic welfare regime**, Sweden is characterised by a strong state evenly providing elderly and childcare services through redistribution of general taxes in support of equality and social cohesion. However, in 2006 only less than a quarter of all Swedes had negative attitudes towards undeclared work, which continued to be widespread in households. These attitudes have changed since the introduction of the RUT and ROT avdrag tax reduction schemes aimed at home renovation and household services. The latter have further proved an efficient instrument for the support of caring relatives, too, as the population of older persons is constantly growing and cutbacks in publicly provided institutional care have not been compensated by an increase in publicly provided domestic services.

## Factors supporting the growth and development of the field of PHS

Attitudes towards undeclared work in Sweden have changed in recent years. In a 2006 survey by the Swedish Tax Agency, 17 per cent of Swedes felt that it was wrong to buy undeclared services, whereas in a 2012 survey, 47 per cent of people felt buying these services was wrong. The change in attitudes coincides with the introduction of the RUT and ROT tax relief programmes, which began in 2007 and 2008.¹ This tendency has been confirmed by a recent study conducted on behalf of the Swedish Tax Authority (Skatteverket)² which reveals an important decrease of the recourse to undeclared services among Swedish households between 2005 and 2019. As such, the proportion of respondents acknowledging that they are likely or very likely to hire an undeclared worker to perform a job in their home has decreased from 37 to 9 per cent, whereas the proportion that answered that they would probably or definitely not do so has increased from 38 to 74 per cent.

The population of Sweden is growing partly due to a net positive birth rate as well as due to net positive migration. As of 2017, the fertility rate in Sweden was 1.78 per cent, which was high among European countries, but not at the level of replacement and in decline since 2010.<sup>3</sup> Estimates predict that after 2020, there will be a weaker annual contribution of new workers to the labour force due to population ageing, which could negatively affect labour supply in some regions. Between 2011 and 2025, 1.6 million persons, accounting for 35 per cent of the labour force, are expected to retire – 300,000 more than in the preceding 15 years. Retirement levels vary according to region. In some counties nearly 40 per cent of the

<sup>&</sup>lt;sup>1</sup> Walin (2015).

<sup>&</sup>lt;sup>2</sup> Skatteverket (2020).

<sup>&</sup>lt;sup>3</sup> Eurostat (2019).

labour supply is expected to retire, while Stockholm and its surrounding regions will lose about 32 per cent of the labour supply.<sup>4</sup>

Over 20 per cent of Sweden's population is over the age of 65, and by 2040, this percentage is expected to rise to 23 per cent of the population. Sweden enjoys one of the highest life expectancies in the world – 81 years for men and 84 years for women. The population of Swedes aged 80 or above is 5.2 per cent, just over the EU average of 5.1 per cent.<sup>5</sup> Recent cutbacks in institutional care have not been compensated for by an increase in home help services, therefore more responsibility is placed on individuals and their families and the contribution of informal carers' has increased over the years. Nevertheless, in 2016, the proportion of the population aged 15-64 who were inactive in the labour market due to informal care obligations, with looking after children or incapacitated adults representing the main reasons for not seeking employment, was an overall 4.1 per cent, with 7.2 per cent for women and 0.4 per cent for men, as compared to the EU average of 9.7 per cent.<sup>6</sup>

The economic activity rate for women between the ages of 20-64 was 84.5 per cent in 2017, as compared to 89.4 per cent for men. The rate of female employment has continued to rise since the 1970s, with the private sector serving as the largest employer of women. However, women continue to perform more unpaid household work than their male counterparts.<sup>7</sup>

Unemployment in Sweden has reached its lowest level since 2008, at just 7 per cent as of December 2018. Unemployment is lower for native Swedes than for foreign-born individuals. Challenges remain for long-term unemployed persons, particularly individuals with low education levels. This group makes up 75 per cent of the persons registered with the Public Employment Service and may require additional training and subsidies to find and retain work.<sup>8</sup>



No national definition of PHS has been identified.

**ROT**<sup>9</sup> **and RUT**<sup>10</sup> **avdrag** are tax-reduction mechanisms for "housework" ("husavdrag"). The ROT system launched in 2008 is focused on home renovation services purchase whereas the RUT avdrag launched in 2007 is a tax reduction scheme for domestic services. RUT enables private households to benefit from a tax reduction of 50 per cent of the labour cost up to a maximum threshold of SEK 50,000 (€4,742) for each individual per year (SEK 25 000 for persons under the age of 65 buying RUT work.)<sup>11</sup> Eligible services for the RUT tax reduction

<sup>&</sup>lt;sup>4</sup> OECD (2014).

<sup>&</sup>lt;sup>5</sup> Swedish Institute (2019).

<sup>&</sup>lt;sup>6</sup> European Commission (2018a).

<sup>&</sup>lt;sup>7</sup> Statistics Sweden (2018).

<sup>&</sup>lt;sup>8</sup> The Local (2019).

<sup>&</sup>lt;sup>9</sup> ROT stands for "Reparation, Ombyggnad, Tillbyggnad", i.e. repair, conversion and extension.

<sup>&</sup>lt;sup>10</sup> RUT stands for "Rengöring Underhåll och Tvätt", i.e. cleaning, maintenance and laundry.

<sup>&</sup>lt;sup>11</sup> Swedish Agency for Economic and Regional Growth (2020).

are cleaning, washing, ironing, packing, loading, transporting, childminding, personal hygiene, help with bills, gardening, snow shovelling, minor installations and repairs. The two most in demand services are cleaning (76.2 per cent) and gardening (13.1 per cent). RUT only includes household activities that could otherwise be performed by members of the household. Services provided in elderly parents' homes are eligible, meaning that it's a way for adult children to cope with their unpaid care activities. Furthermore, domestic services given as a benefit by an employer to an employee are also eligible for tax reductions.

The tax-reductions are allowed on the condition that the provider of services is registered for corporation tax (F-tax), which implies that a customer must make a contract either with a home service company or with a self-employed person paying corporate tax. Thus, domestic services are categorised as a business, and a rather traditional organisation of work such as direct employment does not qualify for this type of tax reduction. Service providers must apply for the tax reduction on behalf of the user. They receive 50 per cent of the value of their services invoiced from the user and can request payment for the other 50 per cent from the Swedish Tax Authority.

In 2009 a right to tax reduction for domestic services performed by people employed directly in a household was introduced, but only for employers' fees, based on the remuneration. The only difference is that households must declare to the Tax Authority at the end of the year how much they spend in domestic workers' wages before being reimbursed. Household expenses related to the provision of RUT services are cumulative, whether they are made through a company or through the direct employment of a domestic worker and they belong to the same threshold (SEK 50,000 respectively SEK 25,000). This means that all customers of privately managed (as opposed to managed by the municipalities) domestic services in Sweden are granted public financial support for the formal purchase of those services.<sup>13</sup>

Public services account for most care activities. In Sweden, services in kind are prioritised over cash benefits. The Social Services Act of 1982 entitles the elderly to **long-term care assistance**. Services are divided between central, regional and municipal governments. Home carers provide assistance to persons living at home who need help with shopping, cleaning, cooking, washing and personal care. Services are needs based. Eligibility criteria, service levels, and the range of services provided are decided locally. People with greater needs receive more comprehensive care, while those with less extensive needs are less likely to receive any home help.¹⁴ Municipalities also provide personal assistance services for persons with disabilities, mainly via a monthly, tax-free attendance allowance (hemvårdsbidrag), which is given on top of services provided to the care recipient. This net cash payment of SEK 4 000 (€450) per month is to be used to pay for help from a family member.¹⁵

From age 1, children whose parents are working, studying or on parental leave are entitled to publicly subsidised **Early Childhood Education and Care (ECEC)** provision and, from age 3, all children are entitled to childcare provision that is free of charge for at least 15 hours per week. Children whose parents are working or studying have the right to a publicly subsidised place in an after-school recreation centre (*fritidshem*). The ECEC system consists

<sup>&</sup>lt;sup>12</sup> Calleman (2015).

<sup>&</sup>lt;sup>13</sup> Calleman (2015).

<sup>&</sup>lt;sup>14</sup> European Commission (2018a).

<sup>&</sup>lt;sup>15</sup> European Commission (2018a) and oral communication during the seminar, 13<sup>th</sup> November 2019 in Stockholm.

of unitary centres (*förskola*), aimed at children aged between 1 and 6 years. Between 6 and 7, children attend compulsory pre-primary classes (*förskoleklass*). Förskoleklass is usually closely associated with the school the pupils will attend. In addition, there is also a system known as pedagogical care (*pedagogisk omsorg*), which is run by registered child minders and can be organised in various ways (i.e. either within childminders' homes or elsewhere).<sup>16</sup>



### Landscape of users

The Swedish tax authority estimates that the introduction of **RUT-avdrag** decreased the number of households using undeclared work by 10 per cent. Approximately 55 per cent of users say they would stop buying PHS if the RUT system was removed. The number of users of RUT has been on the rise since its introduction. By the end of 2019, nearly 1,023,000 people (RUT) respectively 990,000 people (ROT) were using the tax deduction mechanisms and spent SEK 15.5 billion in the system through the invoicing model.<sup>17</sup> Users tend to claim a reduction of SEK 5,200 (EUR 500) per year. More women than men use RUT, 11 per cent respectively 7 per cent. Households of older people and couples between the ages of 35 and 49 with children are more likely to use RUT, and it is more commonly used by households with higher incomes.<sup>18</sup> Furthermore, it has been demonstrated that for every purchased hour of RUT services by women, 1.8 hours are made free and 60 per cent of this time is used to increase women's paid work and inclusion in the labour market.<sup>19</sup> As for 2013, 1 128 people were benefiting from the tax reduction related to the direct employment of a domestic worker.<sup>20</sup>

In 2018, 36 per cent of the adult beneficiaries received **long-term assistance**. Of these, about half were women, and two thirds were foreign-born.<sup>21</sup> 321,000 elderly people had at least one social service in accordance with The Social Service Act (2001:453) which corresponds to 15,8 per cent of the Swedish population aged 65 or above.<sup>22</sup> In 2017, 22 per cent of those aged 80+ received home help and 12.2 per cent received institutional care.<sup>23</sup> Additionally, in December 2018, 168,348 people aged 65+ were receiving home help services.<sup>24</sup>

In 2017, 84 per cent of children aged 1 to 5 years attended preschool. The percentage is lower in larger cities and higher in smaller cities. The proportion of enrolled children has increased to some extent in all age groups. 47 per cent of one-year old attended pre-school,

<sup>&</sup>lt;sup>16</sup> Eurydice (2019).

<sup>&</sup>lt;sup>17</sup> Skattkeverket (2019).

<sup>&</sup>lt;sup>18</sup> European Commission (2018b).

<sup>&</sup>lt;sup>19</sup> Halldén/Stenberg (2014).

<sup>&</sup>lt;sup>20</sup> Calleman (2015).

<sup>&</sup>lt;sup>21</sup> Socialstyrelsen (2019b).

<sup>&</sup>lt;sup>22</sup> Socialstyrelsen (2019c).

<sup>&</sup>lt;sup>23</sup> European Commission (2018a).

<sup>&</sup>lt;sup>24</sup> Socialstyrelsen (2019a).

87 and 92 per cent respectively of two and three year olds and 94 per cent of all four and five year olds.<sup>25</sup>



### Financing of the main instruments and associated prices

RUT and ROT are financed through tax reductions, which provide up to 50% of the costs for non-care PHS.<sup>26</sup> In 2019 the amount of RUT was SEK 5.6 billion (EUR 539 million) and the amount of ROT was SEK 9.8 billion (EUR 935 million).<sup>27</sup> Studies in 2011 found that the earn-back effects of RUT and ROT are larger than the initial costs of the measures.<sup>28</sup> Other studies confirm that RUT and ROT have earn-back effects, but also stress that other welfare institutions have the same effects, and are more equally distributed.<sup>29</sup>

Long-term care is financed through taxation. County councils and municipalities finance around 90 per cent of the costs of health and social care. Around 5 per cent is covered by national taxes.<sup>30</sup>

The funding of childcare is shared between the state and the municipalities. The municipalities receive revenues from municipal taxes to finance the majority of their activities. Apart from income taxes, municipalities also receive a state grant which is not earmarked. Therefore, each municipality may freely allocate additional resources to preschools.



As mentioned above, work arrangements in the context of RUT/ROT tax deductions must involve intermediary companies. However, many of these companies are sole proprietorships. Workers employed under the Domestic Work Act (1970:943) are directly employed by households. The Act covers those who provide care for the elderly and those with special needs, as well as au pairs. However, it was mentioned that direct employment of domestic workers by households is rather uncommon in Sweden.<sup>31</sup>

In the sector of public and private long-term care and in the sector of childcare, intermediary employment prevails.

<sup>&</sup>lt;sup>25</sup> Eurydice (2019).

<sup>&</sup>lt;sup>26</sup> European Commission (2018b).

<sup>&</sup>lt;sup>27</sup> Skatteverkett (2019).

<sup>&</sup>lt;sup>28</sup> Impact (2015).

<sup>&</sup>lt;sup>29</sup> Halldén/Sternberg (2018).

<sup>&</sup>lt;sup>30</sup> European Commission (2018a).

<sup>31</sup> ILO (2019).



### Landscape of intermediaries and quality management

As of 2019, the Swedish Tax Authority had 21,868 registered non-care provider companies.<sup>32</sup> More than half are sole proprietorships<sup>33</sup> and 54 per cent of RUT-companies are female-owned.<sup>34</sup> Around 40 per cent of RUT-companies are owned by foreign-born individuals.<sup>35</sup> The bigger RUT companies have their own in-house training system. SRY is a training board that offers dedicated trainings to RUT sector and industrial cleaning workers which is afterwards recognised by a certificate. On a voluntary basis, RUT companies can adhere to a quality charter and be awarded a "stamp of approval" by an authorisation board jointly managed by social partners. However, this label is not sufficiently displayed and recognised.

With regard to domestic workers, it is very uncommon for a private individual to have recourse to placement or recruitment agencies for the hiring of a domestic worker.

Most care services in the LTC field are provided publicly, although private providers have also been available for care services since a 2009 reform. Municipalities can decide whether or not to allow private providers (which can include private companies but also trusts and co-operatives)<sup>36</sup> to offer tax-funded care for older people.<sup>37</sup> In 2018 a total of 308 private providers were operating.<sup>38</sup> Even when private providers are used, local, decentralised authorities are responsible for maintaining the level of care. All care services are provided by public providers in about 35 per cent of municipalities, whereas in Stockholm, for example, 59 per cent of care is provided by private providers.<sup>39</sup> Licenses, prices and compliance are set and monitored by municipalities, even for private providers.<sup>40</sup> The user satisfaction survey conducted annually by the National Board of Health and Welfare (NBHW) is the most widely used instrument for measuring quality in Swedish LTC.<sup>41</sup> In addition, two standards on "Quality of care, service, nursing and rehabilitation for elderly people with extensive needs in ordinary and residential care facilities" have been implemented since 2015 by the Swedish Institute for Standards.

Alongside the municipal preschools and schools there are grant-aided independent childcare facilities. Independently organised and grant aided childcare is more common in bigger cities and their suburbs. During the school year 2016/2017, there were 12 092 preschool institutions (i.e. *förskolan, förskoleklassen & pedagogisk omsorg*) and 28.6 per cent were independently organised.<sup>42</sup> Cooperatives are also operating in childcare services as well as private not-for-profit providers. It has been estimated that among private

<sup>32</sup> Skatteverkett (2019).

<sup>&</sup>lt;sup>33</sup> European Commission (2018b).

<sup>&</sup>lt;sup>34</sup> See Adam Dobbertin's (Almega) presentation made during the November 13, 2019, seminar in Stockholm.

<sup>&</sup>lt;sup>35</sup> European Commission (2018b).

<sup>&</sup>lt;sup>36</sup> European Commission (2016).

<sup>&</sup>lt;sup>37</sup> Dahlberg et al. (2018).

<sup>&</sup>lt;sup>38</sup> Oral communication during the seminar, 13<sup>th</sup> November 2019 in Stockholm.

<sup>&</sup>lt;sup>39</sup> 4Quality (2015).

<sup>&</sup>lt;sup>40</sup> 4Quality (2015).

<sup>&</sup>lt;sup>41</sup> European Commission (2018a).

<sup>&</sup>lt;sup>42</sup> Eurydice (2019).

providers, half are for-profit and half not for profit.<sup>43</sup> Training requirements are strictly governed and set by national legislation. As such, pre-school teachers must have a university degree, whereas childminders, who make up approximately 40 per cent of the childcare workforce, must have completed the secondary education level. 20 per cent of the childcare workforce have no specific education. Municipalities are in charge of running inspections in order to ensure that qualification ratios are respected.



Most employees of RUT-companies, i.e. 63 per cent, are women. RUT-employees are 41 years old on average, and foreign-born individuals are over-represented. Indeed, 37 per cent of RUT workers are foreign-born and 26 per cent are born outside of the EU.<sup>44</sup> RUT-employees also tend to have lower education levels than the overall labour force overall. Around 20 per cent of RUT-employees were unemployed in the previous year, suggesting that RUT-companies are successfully recruiting large numbers of unemployed persons.<sup>45</sup> There are currently no training requirements for RUT workers.

LTC workers tend to be female and one third are older than 55 years of age. Most workers were not in full-time employment, their involvement averaging 73 per cent of a standard full-time workload. Hourly employees tend to work fewer hours per month than monthly employed workers. The share of foreign-born care workers is also growing, despite a lack of active international recruitment of care workers.<sup>46</sup> Sweden has the highest ratio of care workers to service users, which is 130 workers per 1000 people over age 65.<sup>47</sup>

In some cases, municipalities may employ a family member to do the care work. Through this benefit called "anhöriganställning", the family carer receives the same salary and similar social security payments as the domestic workers in the municipality's own services. This salary is subject to taxes and the employment relationship is restricted to persons below the age of 65. In 2006, almost 1 900 family carers benefited from this system and it is assumed that their number has decreased since then.<sup>48</sup>

There are no mandatory qualifications for home-care workers, although the Social Services Act mandates 'suitable training and experience'. Over 70 per cent have some vocational training. In recent years, some municipalities have developed training programmes for employed care workers, but there are no minimum standards for training. Over 75 per cent of care workers have at least one year of formal training.<sup>49</sup>

In 2017, the Swedish Municipal Workers' Union (Kommunal) and the Swedish Association of Local Authorities and Regions (Swedish Kommuner och Regioner – SKR) announced several

<sup>&</sup>lt;sup>43</sup> Oral communication during the November 13, 2019, seminar in Stockholm.

<sup>&</sup>lt;sup>44</sup> See Adam Dobbertin's (Almega) presentation made during the November 13, 2019, seminar.

<sup>&</sup>lt;sup>45</sup> Growth Analysis (2018).

<sup>&</sup>lt;sup>46</sup> 4Quality (2015).

<sup>&</sup>lt;sup>47</sup> 4Quality (2015).

<sup>&</sup>lt;sup>48</sup> European Commission (2018a).

<sup>&</sup>lt;sup>49</sup> 4Quality (2015).

joint proposals to improve the skills and quality management in elderly and health care. They agreed on a model for professional development that clearly defines different levels of training to establish "care assistant" and "nurse" and "specialist nurse" as protected professional titles. Furthermore, Kommunal and SKR agreed on a national validation model on the basis of the courses in the nursing and care programme defined for each profession.<sup>50</sup>

In the area of childcare, 96 per cent of the employees are women and 4 percent men. Around 40 per cent of the employees has a university degree as a preschool teacher. Around 30 per cent have a secondary school degree as child minders and 30 per cent have no specific education for working with children. There are 109,700 persons employed in preschools. In after-school recreation centres there are 39,700 persons employed, of whom 70 per cent are women and 30 per cent are men. 37 per cent have a university degree in education, 17 per cent have a secondary school degree in working with children as childminders and 42 per cent have no specific education for working with children. Both preschool and after-school centres have problems finding employees with appropriate qualifications.

The Domestic Work Act contains provisions in relation to work that an employee carries out in the employer's household, including working hours, overtime, protection against ill health, entering and ending the employment contract, supervision, as well as responsibility, sanction fee, and damages. Domestic workers in Sweden have the same access to maternity leave and social security as other workers. Workers in the formal sector must have a Swedish social security number. Undocumented migrants are thus excluded from PHS.<sup>53</sup> In the first year, 2010, 899 people were entitled to this kind of tax reduction. In the years thereafter, their number has slowly increased and reached 1,128 people in 2013.<sup>54</sup>



There is no minimum wage in Sweden. Wages are set by collective agreements for sectors. Non-care wages are set by collective agreement and were EUR 1778 per month as of April 2011.<sup>55</sup>

In the context of RUT, hourly wages are set by a collective agreement for Home Service Companies (Hemservice Avtalet) concluded by Almega and Kommunal. In 2019, it set the minimum wage at SEK 21 370 (EUR 2,050). In companies not covered by this collective agreement, wages may be freely agreed upon between employer and employee, as there is no minimum wage regulation in Sweden. Hourly prices for users start at SEK 400 (EUR 38.8, including the 50 per cent to be deducted and excluding VAT) whereas in the informal economy the prices range between €8 and €10.

<sup>&</sup>lt;sup>50</sup> Kommunal (2017).

<sup>&</sup>lt;sup>51</sup> Skolverket (2019a).

<sup>52</sup> Skolverket (2019b).

<sup>&</sup>lt;sup>53</sup> Impact (2015).

<sup>&</sup>lt;sup>54</sup> Calleman (2015).

<sup>&</sup>lt;sup>55</sup> 4Quality (2015).

In the LTC field, wages of care workers are also set by a collective agreement. Users pay only a fraction of four to five per cent of the cost as their contribution is means-tested. Fees for long-term care include care, rent, and meals. There is also a ceiling on fees. Therefore, municipal authorities cannot charge more than SEK 2,068 (EUR 219) per month for home care services as of 2017.<sup>56</sup>

Sweden's maximum fee policy makes childcare affordable, because it ensures that no fees above the maximum fee can be charged. The fee that households pay so that the children can attend pre-school, leisure-time centres or pedagogical care is based on a percentage of the households' combined income and the number of children. Families pay different fees for each child, the highest fee is paid for the youngest child in steps until the fourth child. From the fourth child and further, no fee needs to be paid for the care of more children. Low-income families pay no fee while the cost is capped for all families. The upper income limit is 47 000 SEK (approximately 4510 Euro)/month in 2019.<sup>57</sup>



### Jocial dialogue in the field of PHS

The main social partners are:

- Almega the Employers Organisation for the Swedish Service Sector. Almega is the primary employer organisation with over 10,000 affiliated companies.
- Swedish Kommuner och Regioner (SKR) the Swedish Association of Local Authorities and Regions is an employers organisation and an organisation that represents and advocates for local government in Sweden. All of Sweden's municipalities and regions are member of SKR.
- KFO is an employers organisation of Swedish co-operatives and popular movement owned enterprisers as well as civil-society organisations.
- Kommunal the Swedish Municipal Workers Union is the main trade union organisation. It is the largest Swedish trade union, with 500,000 members in over 200 occupations. It is a member of the Swedish Trade Union Confederation and affiliated with the European Federation of Public Service Unions (EPSU). Kommunal has its own publicly accessible register in which anyone can search for a company and see if they do apply a collective bargaining agreement, and therefore grant their workers decent working conditions.
- Fastighets the Building Maintenance Workers Union of Sweden is the most common union in the private cleaning sector
- SEKO the Swedish Union for Service and Communications Employees organises workers in formerly state-owned business (spin-offs).

Kommunal and Almega concluded the largest collective agreement in domestic services in 2007, the Home-Service Agreement. However, collective agreements have relatively low

<sup>&</sup>lt;sup>56</sup> European Commission (2018a).

<sup>&</sup>lt;sup>57</sup> Eurydice (2019).

coverage rates. The sector's estimated rate of collective bargaining coverage is 70 to 75 per cent<sup>58</sup> for PHS.<sup>59</sup>

There are no trade unions or collective agreements dedicated to direct employment of a domestic worker.



The development of PHS in Sweden followed an ideologically charged debate beginning in the 1990s, often referred to as the 'maid-debate'. Supporters of PHS tended to be in right-wing parties, arguing that PHS would reduce informal employment, create low-skilled jobs and improve the work-life balance.

The RUT Tax Reduction was introduced by the Centre-right Government in 2007 and its purpose was to combat undeclared work, to allow men and women to increase their time in the labour market, to diminish unemployment among people with relatively low educational attainment and to increase gender equality.<sup>60</sup> Due to the high tax wedge in Sweden, it was challenging to develop a formal market for PHS.<sup>61</sup> In June 2019, the Swedish government has commissioned an expert group with an investigation on the revision of the current RUT tax reduction. Experts are investigating the opportunity to extend the list of eligible services as well as to increase the annual threshold. Their final report is expected for September 2020.

Several researchers and left-wing parties in Sweden have a critical position towards the RUT/ROT tax deduction schemes, because of the social stratification they imply. Almost half of the tax deduction is used by the 10 per cent of the Swedish population with the highest income. Criticisms are also directed at the connections between RUT/ROT on the one hand and elderly care and childcare on the other, stating that if wealthy people are encouraged by tax instruments to use the RUT or ROT, they will not be interested in supporting the general welfare system any longer.

In the LTC system, 290 municipalities are responsible for the provision of home-help services. They can be complemented by home health care services. The municipalities vary considerably in population and character and thus the conditions for managing the municipal tasks differ.<sup>62</sup> At the central level, the government is responsible for the legal conditions and the framework in which services are organised.

ECEC provision falls under the responsibility of the Ministry of Education and Research and the municipalities. Furthermore, the Swedish National Agency for Education is the central administrative authority for the publicly organised preschools and school age childcare. It

<sup>&</sup>lt;sup>58</sup> Eurofound (2012), European Commission (2018b).

<sup>&</sup>lt;sup>59</sup> Indeed, only companies that are members of Almega are bound to the collective agreement. Other companies can agree to abide by the conditions of an existing collective agreement without joining the employers' organisation or to apply their own rules.

<sup>&</sup>lt;sup>60</sup> Calleman (2015).

<sup>&</sup>lt;sup>61</sup> European Commission (2018b).

<sup>&</sup>lt;sup>62</sup> European Commission (2018a).

supervises, supports, follows up and evaluates the school system in order to improve quality and outcomes.<sup>63</sup>

The ILO Convention 189 on decent work for domestic workers was ratified by Sweden in April 2019. It will entry into force on the 4<sup>th</sup> of April 2020.

Since 2014, the work-life balance issues of middle-aged children have been recognised in the political discourse, when the government pointed out that more than "140 000 persons have quit their jobs or reduced their working hours to care for their aged parents."



#### Commonalities across countries

In general, Swedish PHS policies are in line with those of other Scandinavian countries. They closely align with Finnish programmes, based on the focus on supporting non-care services through tax deductions, while care-related services for older and dependent persons are regulated by municipalities.<sup>65</sup>



### **Promising practices**

A bi-partite training body "Servicebranschens Yrkesnämnd" was launched in 1985 by social partners. Skills development is considered a way to make companies more profitable and efficient while contributing to raising the industry's status. Accordingly, the SRY core assignments concern skills development in the professional and home cleaning sectors. At present, it offers three different levels of education:

- SRY LÄR, which is a learningapp, enabling workers to get preparatory self-training.
   No certificate is delivered to app users;
- SRY BAS, which equals a basic level of competence. From January to September 2019, 230 workers who followed this training were granted a certificate of competence (compared to 239 people in 2018); and,
- SRY YRKESBEVIS, which since 2017 equals a qualification level 4 in the Swedish Qualification Framework (SeQF). That makes the cleaning sector, the first industry in Sweden to have reached this qualification level. From January to September 2019, 421 workers who followed this training were granted a professional certificate (compared to 675people in 2018).

Among the three levels of certification, the latter ensures the highest employability for workers. Furthermore, SRY has a procedure for the recognition of prior learning, through the OCN method. Since the beginning of 2019, 30 people received an OCN certificate (compared to 21 workers in 2018).

<sup>63</sup> Eurydice (2019).

<sup>&</sup>lt;sup>64</sup> European Commission (2018a).

<sup>&</sup>lt;sup>65</sup> Social Trends Institute (2019).

SRY Board makes sure that materials and courses are available and manages a network of 200 professional trainers. Trainings usually last from five to seven days. Workers attend the courses either upon request of their employer, who then pay for it or upon recommendation of the employment services, who then bear the costs.

A bi-partite certification system, known as the "Auktoriserat Serviceföretag" has recently been launched by social partners. On a voluntary basis, it aims at strengthening the reputation of the home services industry. Companies must meet specific criteria - including compliance with the collective agreement - and are subject to annual audit. Thanks to this certificate, PHS companies prove their seriousness and responsibility towards workers and customers.

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