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EFFE Position Paper on the Future European Intergenerational Strategy

Building Intergenerational Fairness Through Care: The Role of Domestic and Home Care in a Sustainable and Inclusive Europe

Introduction

The European Federation for Family Employment & Home Care (EFFE) welcomes the European Commission's initiative to develop a *Future European Intergenerational Strategy* to strengthen solidarity, fairness and cohesion between generations. EFFE believes that the domestic and home care sector is a cornerstone of any long-term vision for intergenerational justice. By ensuring that citizens of all ages—from young children to older persons—can access quality care and support at home, Europe can build a social model that is both sustainable and fair across generations.

Care and household support form the social and economic infrastructure that sustains everyday life. They enable parents to work, older persons to age in dignity, and persons with disabilities to live independently. They also create millions of quality jobs, primarily for women, and generate measurable returns for public finances through employment, tax contributions, and social protection coverage. Yet, this essential sector remains undervalued and under-structured.

The Intergenerational Strategy presents an opportunity to recognise the domestic and home care sector as a key policy sector to maintain social cohesion, reduce inequalities between generations, and promote freedom of choice in how people organise care. It must also address the long-term sustainability of care systems and the need to rebalance the distribution of care responsibilities between men and women, families and public systems, and current and future generations.

1. Care Across the Life Course: A Foundation for Intergenerational Fairness

Intergenerational fairness begins with access to quality care and support throughout life. From birth to old age, domestic and home care services—grouped under the Personal and Household Services (PHS) sector—contribute to well-being, autonomy, and inclusion.

- **Early childhood and family support:** Affordable and accessible childcare and domestic support allow parents to enter or remain in employment, ensuring a fair start for children and equal opportunities for women and men.



- **Work-life balance for working-age adults:** Domestic and home care services help working families, especially those in the “sandwich generation,” reconcile professional and private life, preventing burnout and social exclusion.
- **Long-term care and ageing in place:** Home-based support helps older persons and those with disabilities maintain independence, social connection, and dignity.
- **Inclusion through care employment:** The sector provides access to employment for groups often excluded from the labour market, including women, migrants, and low-skilled workers, creating pathways out of poverty and social isolation.

By supporting people at every stage of life, the PHS sector sustains the social fabric that binds generations together. Ensuring its recognition and sustainability is therefore essential to the EU’s future intergenerational framework.

2. Structural Challenges Undermining Intergenerational Fairness in Care

Despite its vital contribution, the domestic and home care sector faces persistent challenges that undermine its potential to deliver fairness between generations.

a) Unequal access and territorial disparities

Significant regional differences persist in the availability and affordability of care and domestic services. Rural and remote areas often lack structured home care provision, leaving older persons and families without support. This territorial inequality exacerbates demographic imbalances and intergenerational divides.

b) Precarious working conditions

Low wages, fragmented working hours, and limited social protection make care and domestic work unsustainable for many workers. In the 2024 PHS Employment Monitor, 70% of workers under 35 reported they do not expect to remain in the sector until retirement. This lack of sustainability in care employment jeopardises the continuity and quality of services for future generations.

c) Prevalence of undeclared work

In many Member States, between one-third and half of domestic and home care workers are not formally employed, sometimes even almost all the workforce. Undeclared work deprives workers of rights and protections, exposes families to legal uncertainty, and results in substantial losses in tax and social contributions. Formalising this employment is essential to protect workers and ensure fiscal fairness between generations.

d) Double vulnerability of families and workers

Families who cannot afford formal home care services and workers who remain undeclared are both trapped in a cycle of vulnerability and precariousness. Without targeted financial support for

families, the sector cannot be formalised; without formalisation, workers remain in precarious conditions.

e) Gender care gap and demographic impact

Women still provide the majority of unpaid care, often at the expense of their professional development and financial security. This affects not only current gender equality but also future pension adequacy and intergenerational equity. An intergenerational strategy must therefore address both unpaid and paid care as a continuum that sustains the entire social model.

3. Recognising User-Employers: Empowering Families and Individuals

Across Europe, millions of families and individuals act as *user-employers*, directly employing home care or domestic workers to meet their specific needs. These are not profit-seeking nor professional employers, but citizens organising support within their households. Recognising and supporting this employment model is critical to ensuring freedom of choice in care, maintaining quality of life in local communities, and formalising a sector that remains largely invisible.

User-employers must be supported through:

- Simplified administrative and fiscal frameworks to declare employment in their own homes;
- Incentives such as tax credits, social incentives or vouchers to reduce affordability barriers;
- Access to guidance, digital tools, and intermediation services that facilitate compliance;
- Recognition within EU and national labour and social policies as legitimate actors of the care economy.

By empowering these families as user-employers, Europe can both strengthen intergenerational solidarity and formalise millions of care relationships that are currently outside the protection of the law.

4. Policy Priorities for an Intergenerational Strategy Anchored in Care

EFFE calls on the European Commission to ensure that the Future Intergenerational Strategy integrates the domestic and home care dimension as a central component of intergenerational fairness. This requires action across six policy priorities:

1. Formal recognition of the domestic and home care sector

- Integrate PHS explicitly into the Intergenerational Strategy and the European Pillar of Social Rights implementation.
- Recognise all models of care and household support as essential social infrastructure contributing to cohesion, employment, and well-being.

- Develop EU-level monitoring of PHS access, affordability, and quality.

2. Ensure accessibility and affordability across the life course

- Support Member States in introducing means-tested financial instruments (vouchers, tax credits, direct payments) to facilitate access to formal home care and domestic support including for direct employment by families.
- Promote territorial equity by investing in local care ecosystems, particularly in rural and ageing regions.
- Encourage public-private partnerships and social economy solutions that maintain affordability without compromising quality.

3. Improve working conditions and professionalisation

- Develop EU guidance for sectoral collective bargaining and social dialogue in domestic and home care.
- Promote EU-wide recognition of skills, including validation of informal and non-formal experience.
- Ensure training and lifelong learning opportunities for care workers, including digital and interpersonal competences.

4. Formalise employment and combat undeclared work

- Establish EU benchmarks and exchange of best practices for simplifying household employment declarations.
- Support Member States in creating digital platforms for declaration and payment of social contributions.
- Introduce fiscal and administrative incentives for formalisation, reducing the cost gap between declared and undeclared work.

5. Address gender and intergenerational care gaps

- Mainstream gender equality and care objectives within all intergenerational fairness measures.
- Support the redistribution of unpaid care work between genders and generations through investment in formal care and work-life balance policies.
- Integrate recognition of informal carers into social protection frameworks to prevent poverty and exclusion.

6. Align with broader EU strategies

- Ensure coherence with the European Care Strategy, the EPSR Action Plan, and the future Gender Equality Strategy.
- Integrate PHS indicators into the European Semester's social scoreboard and funding instruments such as ESF+ and InvestEU.
- Encourage synergies with the Digital Decade and Skills Agenda to promote digitalisation and innovation in care services.

5. Building Sustainable Care Systems for Future Generations

An intergenerational approach to care must combine short-term relief for families and long-term sustainability of care systems. Investment in formalised domestic and home care delivers multiple benefits:

- It reduces poverty and social exclusion by creating quality local jobs;
- It supports fiscal sustainability through tax and social contribution revenue;
- It prevents institutionalisation and promotes ageing in place, reducing public expenditure in the long term;
- It contributes to gender equality and higher female labour market participation, enhancing economic growth and social balance.

Research consistently demonstrates that every euro invested in care services yields multiple returns through employment, social inclusion, and well-being. The recognition and structuring of the domestic and home care sector is therefore not a cost but an investment in Europe's future resilience and intergenerational solidarity.

Conclusion

Domestic and home care are the invisible foundations of intergenerational cohesion. They enable people to grow, work, and age in dignity, while linking generations through care, empathy, and shared responsibility. For Europe to achieve genuine intergenerational fairness, it must recognise care not as a private burden, but as a collective good that sustains our societies.

The Future European Intergenerational Strategy should place the domestic and home care sector at the centre of its vision for a fair and sustainable Europe—where every person, regardless of age, gender, or income, can access quality care and support at home.

At every stage of life, we all depend on care. A child discovering the world, a young adult entering the labour market and building a family, a worker balancing professional and caregiving responsibilities, an older person wishing to remain in the environment they know — all need support to live with dignity, autonomy, and connection. Care is the invisible thread that binds generations together. It sustains families, keeps regions alive, and preserves the transmission of values and solidarity across time. The right to remain at home, in one's familiar surroundings, should be a guiding principle of the Intergenerational Strategy. To build bridges between





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generations, we must also care for the carers — ensuring they have the means, respite, and balance to continue contributing to society. Supporting care across the life course allows each generation to thrive without leaving others behind, creating a Europe where mutual responsibility, dignity, and inclusion form the foundation of intergenerational fairness.

EFFE stands ready to work with the European Commission, Member States, and social partners to make this vision a reality.



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