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Posting of third country nationals in care services
the current state of play and scenarios for the future



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Report form on Serbia

1. Introduction

- a) According to the latest estimates for 2020, the Republic of Serbia has 6,899,126 inhabitants. Observed by gender, **51.3%** are women (3,538,820), while **48.7%** are men (3,360,306). The trend of depopulation has continued, which means that the population growth rate, compared to the previous year, is negative and amounts to **-6,7%**. The average age of the population is 43.3 years, with men averaging 41.9 years, while the average age of women is 44.7 years. Life expectancy in Serbia is 73.2 for men and 78.1 for women. In the basic contingent of the population, 65% are able-bodied population (15-64 years). Also, 21% of the fertile population while only 6% of the preschool population.

The average GDP per capita in 2020 in Serbia was 6,708 euros.

About 500,000 inhabitants are unemployed, of which slightly more than half are women, of which about 160,000 are educated women (secondary, higher and college education). In Serbia, there is a trend of rapid aging of the population, so that in 2011 there were 17% of the population over 65 years of age, while in 2016 this number increased to 19% while reducing the number of mature population from 69% to 64% with an average age of 43 years while life expectancy is 73.7 years. Women live on average 5 years longer than men. The rate of natural increase is -5%. The poverty rate is very pronounced and is 25%. Half of the population has secondary education, while 11% of the population is highly educated, slightly more women than men. All data are given for Serbia without the Autonomous Province of Kosovo.

Having in mind the previous data, it is logical that a large number of Serbian residents due to unemployment or low incomes are trying to find a way to go to an EU country for permanent or temporary employment because one of the main characteristics of





labor migration within the EU is the mobility of workers from lower-income countries to higher-income countries, often from southern and eastern European countries to western and northern Europe.

In most EU member states, labor market mobility is moving in both directions. Many of them are both host countries and countries that post their workers to other countries within the EU or across Europe. The highest mobility of workers exists between neighboring countries (52%), workers come from both poorer and developed European countries.

According to the available data on the qualification structure, the majority are low-skilled workers (approximately 64%), although there are also secondary and highly educated workers. As a rule, more educated workers come from poorer countries who accept jobs below their qualification levels. The highest mobility is in the construction sector - about 50%, followed by transport and trade and the provision of other services, especially in the care sector.

It is known that the number of posted workers in Europe is constantly increasing, but data are usually not available to them and insufficient for better analysis. Therefore, the economic effects of this type of employment cannot be precisely measured, as well as the impact and consequences on the labor market, neither in the country of the recipient nor in the country from which the workers are leaving in large numbers. In 2010, there were one million posted workers, and that number increased to 1.6 million in 2016, and today it is estimated at around 2.5 million. Demand for extended care and assistance services, of which home care and assistance services are a significant part, is growing from year to year. Having in mind the data on the average life expectancy of citizens of developed European countries, to which care workers from Serbia most often go (In Austria men 79.3, women 83.9, Germany men 78.5 women 83.3, Slovenia 78.3 men and women 84 years, in the Scandinavian countries the longest life expectancy is about 80 years for men and 84.3 years for women), the need for a care workforce is understandable.





2. Patient caregiver at home - description

An elderly person needs quality care, and to that end, the family finds different ways to reach out to caregivers. Most often through referrals or semi-legal organizations and most often without any additional costs related to the employee other than the salary paid to him / her directly.

It was pointed out in the focus group and interviews that working hours and working conditions, and especially the scope of work and job description as well as safety and health at work are not sufficiently specified, transparent and not respected.

The caregiver usually works 24 hours, although he / she is employed for 8 hours of work, but staying in the user's house they use him / her for services throughout the day and he / she often perform other tasks such as cleaning, shopping, cooking, sometimes driving their customers - on holiday and to cultural events.

The existence of a gray zone was also pointed out, and the work is mostly done illegally. Certainly, due to all that, there is always a danger of deportation. Sometimes problems arise due to language barriers because they often do not know enough about the language of the country where they work and do not understand their obligations and rights in accordance with the law. For legal entry, stay and work in the receiving country, it is necessary for employees to be more informed about their rights and risks. They need to know the local laws in order not to get into trouble.

It was pointed out that the caregiver wants a safe and secure environment at work, although they are sometimes exposed to mobbing, violence and exploitation, they work 24 hours and they are paid only for 8 hours.





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The caregiver's family supplements their budget with the funds the caregiver earns. Most often, they decide to leave in order to earn money and solve some of the problems, such as educating children, buying an apartment, a car....

Service providers pointed out that they try to get to know the needs of users and to harmonize them with the possibilities of caregivers that is, they refer either caregivers or health care workers who are often retired to provide partial health care. Due to the shorter stay in order to ensure continuity in the provision of services, the service provider must sometimes hire more than one person for one user.

It was pointed out that it is important to have teams in larger cities that can be relied on by caregiver who are from another country and are exposed to legal uncertainty resulting from a mixture of the two legal systems in the field of labor law and social security.

The work of the focus group in particular contributed to the discovery of the problems of caregivers in the homes, consisted of lawyers, economists, labor inspector, former Minister of Labor, sociologists and political scientists as well as experts in the field of occupational safety and health, NGOs dealing with the position of older women in the labor market, representatives of large hospitals in Serbia as well as direct participants in the provision of care services in third countries and organizers of posting workers outside organized institutions.

Employees in social protection who work in institutions for accommodation and care of satirical persons also participated in the work.

Trade union representatives were also involved, and it emerged from the conversations and discussions that home care and assistance services are primarily provided through the establishment of cooperation between German consulting firms and medical service providers from other countries. Governments or the local community, through various measures even make it easier for them to leave because of small pensions.





As a big problem, it was pointed out that the Government and the local community of our country are actually neglecting the needs of their own citizens for the growing need for this type of care.

3. **Legal and institutional framework of the Member State of dispatch**

Having in mind that in Serbia, compared to developed European countries, the level of GDP is lower, the unemployment rate is higher and the income is lower, the average salary with taxes is about 700 euros for men and some 11% lower for women, many decide to look for work in European countries. Regardless of the perception that a large number of Serbian citizens go to work throughout Europe, it was extremely difficult to reach them because there are no official data and in general, workers in this area are not posted from Serbia in an organized way, but they find a job through:

- registered and unregistered agencies that operate in Serbia and have their headquarters there or
- through agencies registered in the recipient countries
- over recommendation
- through personal connections and contacts

Most often, the status of "self-employed" are caregivers who very often have the treatment of migrants. The goal of our trade union is to fight together with our colleagues from the trade unions of the EU countries so that the rights provided by the directives for posted workers also apply to them, regardless of the fact that they are not that formally.

In Serbia, as in other countries, undeclared work is represented, which harms the national economy and the growth of gross domestic product.

National legislation is being adjusted in order to comply with European positive legislation. The Social Strategy of the Government of the Republic of Serbia envisages that in the future the stay of care beneficiaries in the family or own environment will be stimulated as much as possible for a number of justified reasons, but there are fears





that there will not be enough service providers for such a dispersed model of care provision.

Due to insufficient control of this sector and leaving this type of services to the black market for the Government and the local community in the beneficiary country, the user is invisible to the state and the huge need to take care of the growing number of elderly citizens in Serbia is ignored.

They are left to the family to take care of the procurement of this type of service because there are insufficient capacities for collective and legally framed accommodation of the elderly in the countries of the caregiver recipient. In Germany, only 20% work legally at home.

Trade unions from recipient countries try to protect the rights of employees, but the problem is that caregivers are difficult to reach and Serbia does not keep a register of people who went to provide this type of service so that our unions can connect caregivers and unions in the country where they work temporarily.

As a measure to suppress undeclared work, inspections have been increased, so that in 2021 there were 3,500 inspections in Serbia and it was stated that 5,200 people work illegally, while 5 years ago that number was about 20,000 people.

This was influenced by the fact that in 2015 the Law on Inspection Supervision was passed, which provides for the control of unregistered entities.

It was stated in the inspection for 2021. that the largest number of unregistered entities is in the field of social protection.

4. Legal and institutional framework of the recipient country (EU member states)

About 600,000 people work in home care and assistance in Germany, and only 10-20% of them have legal contracts with the agency. It is estimated that Germany alone lacks about 70,000 caregivers in the health sector and 200,000 caregivers in homes.





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In almost 400,000 nursing households, people from Eastern Europe work for a salary of 1,300 - 1,600 euros net, often for 24-hour care. We learned from the conversation that the service is usually provided to an elderly person or people with disabilities who need care, but also to people who are older and need someone to keep them company so that they are not lonely.

Norway is one of the countries with the highest standard of living in the world. This means that the ratio of average wages and living costs in the country is among the most favorable compared to other countries.

Also, this country is among the best in the world through the system of health care, education, work-life balance, clean environment and many other indicators of quality of life, which is probably the reason that those who decide to leave try to have a legal residence and work permit.

We should also keep in mind the distance of this country from Serbia and a very pronounced language barrier, so all this is an additional reason for legal work.

What enables people from Serbia to work in EU countries without a work permit is the existence of undeclared work in those countries. In a focus group interview, we learned that even people in some EU countries who are professionally in charge of caring for legality in the care sector mediate for work without a permit.

Many who have a tourist visa for Slovenia work without a work permit. A whole chain of service providers has been noticed here, who alternately send people who most often work in the user's house, from light care jobs to very demanding care for people with limited mobility or immobility and sick people.

5. Comparative analysis of employment conditions of EU citizens and third-country nationals working in care institutions

Having in mind lower wage levels and weaker protection of the national labor law of the countries of Central and Eastern Europe, including Serbia in relation to Germany, it could be said that through employment of workers, inequality in the workplace is institutionalized. Accordingly, posted workers are a category of workers who face





triple vulnerability, namely: employees (hired labor), non-citizens and by definition unequal with their directly employed associates and colleagues.

In Germany, as in other major Member States that attract posted workers, the working conditions of posted workers remain largely unfavorable and even exploitative. Trade unions in Germany warn that these workers are often exposed to payment fraud, do not receive a full or agreed salary, are not paid overtime, do not have a written employment contract, inability to take paid leave if they fall ill for a few days and similar problems.

According to the Austrian Financial Police on incoming posted workers, the percentage of third-country nationals posted to Austria has ranged between 5% and 12% in recent years. Among them, the largest group consisted of citizens of the Balkan states, including Serbia. A large number went to Slovenia first. As Slovenia was part of the former common state, the motives for going there are clear. The language barrier is smaller, and the cultural and historical heritage and habits are similar. Slovenia as a posting country and Austria as a receiving country have developed cooperation in this area because these countries have a long history of cross-border labor mobility due to their geographical proximity and other historical reasons.

6. Conclusions from the research phase

During the research, 22 people were interviewed, an interview was conducted and focus group interviews were held.

The method of work was direct live conversation, telephone conversation and collection of completed questionnaires via viber groups, email and other means.

A large number of females, usually middle-aged women who have lost their jobs due to the transition or receive a pension that is insufficient for a normal life, decide to work illegally in this sector.

The big problem was to motivate these people to talk about this topic at all.





After processing the obtained data, we conclude that 60% of women and 40% of men work in care in third countries, with an average age of 32 years, while the average age of women is 43 years.

All persons with whom we spoke or who filled in the questionnaire, have a biometric passport of the Republic of Serbia.

Most of them do home care, while some of them work in hospitals. Only a few of them work in the home for the elderly.

We learned from the research that all respondents legally entered third countries with a biometric passport of the Republic of Serbia.

Of the total number of contacted persons, 36% reside and work in European countries through a tourist visa, while 64% of them have a work permit.

It is characteristic that a higher percentage of men have a work permit, 80% of them, while only 50% of women have a work permit.

We also noticed that mostly younger people find it harder to obtain a work permit.

Women who work without a work permit are older - 45 years on average.

Only 14% of respondents have a European insurance card while 86% of them have private health insurance and those who stay on a tourist visa have private insurance of insurance companies from Serbia.

In Norway, 23% of respondents work and it is characteristic that they are mostly male, younger and have a work permit.

18% of respondents work in Slovenia, most of them work without a residence permit and work with a tourist visa. Examples were also given that there were two temporary referrals from Slovenia to Germany and one temporary referral from Austria to Germany.

These persons had a work permit in Slovenia or Austria, they were employed in a home for the elderly. After being sent to Austria or Germany, the terms of the employment contract changed in terms of the salary provided for the country to which





they were sent and they received higher wages but less than employees from that country.

14% of respondents worked in Austria.

A large number of people in Serbia are out of work and are competent for care and work in hospitals, which has led them to temporarily look for those jobs throughout the EU.

Bearing in mind that the number of people in need of care is growing in Germany, 45% of the respondents found a job right there.

German nursing staff is not interested in these jobs, so it is done by people from other countries, mostly from Poland, due to the proximity but also from other parts of Europe. Polish caregivers in their country earn around 4 euros per hour net while the same job in Germany is paid 10 euros per hour.

People who got a job through reliable agencies from Serbia or the country where they go to work usually do not have problems with obtaining a work or residence permit because in that case, the agency takes care of that as well as the training if it is necessary to perform a job. However, very often during the work there are problems in fulfilling the agreed obligations and rights. The mediator employs caregivers, often at a much lower hourly rate than is usual for this type of service. For some, employees are insured with all employment rights and their jobs are provided by an agency - an intermediary. However, in practice, often the Agency only gives them contact for a certain monetary compensation without any obligation to protect the rights of caregivers.

It is characteristic that many respondents (42%) would not care for another person for an additional fee, which shows that their job is difficult and strenuous and they do not have the strength to put additional workload. The same percentage would additionally take care of another person for double compensation while 16% would do so for an additional 800-1200 euros.





Having in mind the level of salaries in Serbia, these jobs are very often performed by persons who have higher qualifications in relation to the requirements and are most often medical professions, they have a caregiver and a medical service.

7. Problems and obstacles in the process of posting carers to third-country nationals

For caregivers, the importance of Directive 957/2018, which came into force in July 2018, is extremely important, because it gives the right to conclude contracts with the family. An employment contract is important to avoid poor working conditions and deportation. In Serbia, postings were possible through the Law on Temporary Postings, where a caregiver is employed in Serbia and temporarily posted to work. In the field of care in Serbia, posting is not a common practice, but it is predominant in construction. This form of work is often uncertain because companies are very often registered as a mailbox only formally and do not take any responsibility for the employee, which in practice leads to circumventing the meaning of the law.

A special problem for Serbia is the aging of its own population, which reduces the available workforce for care in Serbia and the need for this type of service is growing. There is already a noticeable shortage of labor in Serbia, mostly lower-skilled labor, because these jobs are better paid in developed countries and Serbian citizens are leaving for better wages. In previous decades, this trend of leaving was a characteristic of the less developed southeastern parts of the country, while now the largest leaving is from more developed regions. With economic emigration, the southeastern parts of Serbia have been dramatically depopulated without young people and with a large number of elderly people who have no one to take care of. Economic migrants are injecting money into Serbia, but the problem of finding labor is becoming more and more pronounced. In the construction sector, a large number of workers are already working on construction sites, not only from the immediate area such as Albania and Turkey, but also from India, China and other Asian countries.

Demographers paint a bleak future for Serbia with an increasing share of older people and a parallel labor shortage.





It is estimated that care in Serbia will require the entry of workers from the Far East Asia in the coming years.

8. Best practices and policy recommendations

Best practices include exercising the full rights of posted workers without undeclared work. It was noticed that while the trend of undeclared work in Austria has decreased, it is still relatively high in Slovenia. There are also data that in Germany only 20% of home care workers are registered. The best practices in this area are those from Norway in accordance with our research where all respondents worked with an employment contract in approximately the same conditions as other employees.

That is why the following is necessary:

1. Tighten inspections in the recipient countries as well as in the countries from which the employees are posted
2. Ensure the same rights for employees regardless of country of origin
3. Increase worker awareness
4. Due to language barriers, they often do not understand their obligations and rights in accordance with the law, so it is important that there is someone they can rely on or form support teams in larger cities
5. Specify the obligations and scope of services in the caregiver's activity
6. Precisely define the scope of work, jobs and accordingly assess the risk at work

The following should be done in Serbia:

Introduce incentive measures for the legal establishment of agencies and introduce existing ones into legal flows through tax relief and other benefits that would contribute to the legalization of work

1. Facilitate legal regulation
2. Increase earnings





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3. Raising the awareness of medical workers that they should stay in our country
4. Enable easier employment of retired medical workers in easier jobs
5. Open a school for caregivers
6. Supervision and control of existing mediation and employment agencies

The need for caregivers is growing all over Europe and this sector will grow due to the huge need for third country people to provide care. Posting countries, on the other hand, will find themselves in big trouble due to the lack of caregivers in their own country, which also has a very old population and the lack of this staff is becoming more and more pronounced. A special problem is the low standard of living in the countries from which caregivers are recruited.

The leave of a large number of nurses who work primarily in nursing is an additional challenge for our country when it comes to the health sector. It also weakens the potential of pension funds because part of the working population performs their work in other countries and if they work legally, they pay into the funds of those countries. There is a practice of whole families leaving and there is very little chance that they will return to Serbia if they find their way in those countries.

Serbia is opening the market for those from underdeveloped countries to replace missing workers.

