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The purpose of this summary is to disseminate the research findings via the Internet.

Link to website describing the project team's work:

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Summary

The quasi-market of service vouchers: which quality of employment and organisation of the service ?

In 2001, the Belgian authorities introduced the service voucher scheme consisting of payment coupons allowing users, with the help of financial aid from the State in the form of a consumer subsidy, to pay for proximity services, principally housework that, up until then, was mostly work for cash-in-hand. The voucher scheme demonstrates a far-reaching development of public regulation methods in the field of services to individuals, a scheme henceforth open to competition between a great variety of providers, also called the employers. So we find agencies as different as non-profit bodies, work integration social enterprise, temporary employment firms, SMEs (small and medium-sized enterprises) and the CPAS (Centres public d'aide social – Public Social Welfare Centres) operating within the scheme. The scheme, embracing 100,000 workers, close on 800,000 families and over 2,000 firms in Belgium, is at the heart of the political agenda, considering the size of its public budget of over one billion euros for 2009. Thus, the evaluation of the scheme and in particular the performances of the various types of providers is now a crucial matter.

1. Description of the scheme

The consumers who want to use the scheme, buy from Sodexo (the company that won a public contract to issue the vouchers) the vouchers for the unit price of 7.50 euros (since 1 January 2009) . They then choose the accredited firm of his/her choice which send a worker to the consumer's house. The consumer date and sign the service voucher(s) and hand one voucher per hour worked to the worker in return for housework services. The consumer is exempt from VAT and receives a fixed income-tax rebate (or credit) of 30%, which reduces the hourly rate to 5.25 euros). The accredited firm or organisation then sends in to the issuing company the service vouchers collected from its clients and is refunded 20.80 euros per voucher, its current value. In consequence, for every hour worked, the State pays 13.30 euros to cover the employer's wage charges and structural costs, such as administration and/or worker training and supervision. The services that can be provided at the moment are housework in the consumer's home (cleaning, washing and ironing, little sewing jobs from time to time and preparing meals), or outside the consumer's house, ironing, household shopping, transport of people that are elderly or with impaired mobility. Today, however, housework represents by far the most common service voucher activity (Idea Consult, 2008).

This method of public regulation may be called quasi-market because the service voucher is based on a market logic allowing a variety of providers to compete in the same field of activity. All types of providers, whether for-profit or not, can apply for service voucher accreditation. Nevertheless, the scheme does not fit into a straightforward, pure and simple commercial logic since it relies on a two-pronged State intervention, hence the prefix "quasi": firstly, the authorities structure the offer of services by introducing accreditation and secondly, the State ensures the solvability of the demand by subsidising the consumer with the aim of bringing household services into the open. Where the service voucher is concerned, it is, therefore, the consumer who "transports" the grant insofar as he alone freely chooses the organisation on the quasi-market. Lastly, the State regulates the scheme by fixing the hourly rate of pay.

2. The diversity of providers

To understand exactly the diversity of providers on this service voucher quasi-market, we have drawn up a typology bridging the sector of ownership (for-profit private sector, public sector, social economy) and the mission of the organisation. The two criteria coincide a priori for profit-motivated business companies but the scene is more diversified for organisations expected to pursue a social mission in the first place. Thus, the integration enterprises (within the social economy) are mission-driven to generate jobs for disadvantaged people on the labour market, and their mission may be the same as the ALE (Agence locale pour l'emploi) and the CPAS (public sector). Moreover, the home care agencies, i.e. SAFPA (home care services for families and the elderly) tend to target vulnerable families and elderly people (for instance, people losing their autonomy, sick or in financial trouble). These home care agencies, belonging to the public sector or to social economy sector, entered this quasi-market because of their expertise in the field of home care where they have been engaged for many years and because they wanted to monitor the opening up of the home care sector to competition.

We identified 7 categories of providers per sector and per mission (Table 1). Remember that the category "other social economy initiatives" includes the social economy providers whose mission has not been specifically accredited, contrary to social economy work integration bodies and home care associations. However, their non-profit status suggests they are not primarily profit-motivated.

The last line of Table 1 shows that some of these providers with a social mission not only fall under the quasi-market regulation described above but also under a regulation we might call "tutelary". The concept of "tutelary regulation" characterises a mode of public regulation in which the production of services is financed and supervised by the authorities acting as the beneficiary's guardian. Tutelary regulation falls under the regulatory frameworks in the regional decrees concerning home care and labour market entry in Belgium that guarantee vulnerable beneficiaries (users of the SAFPA, workers in work integration firms) access to the services of the non-profit organisations, while imposing supervision and demanding professionalism. These providers are therefore at the intersection of two public regulatory modes, one quasi-market, the other tutelary.

Table 1: Typology of providers according to their mission and sector

Sector	Public sector		Social economy			For-profit sector	
Mission	Home care	Work integration	Home care	Work integration	Un-known	For profit	
Type of Providers	Accredited home care provider (local welfare services)	Local welfare services, local employment agency, municipality	Accredited home care provider (non-profit organization)	Work integration social enterprise	Associations	Temporary work agency	Other private commercial company
Type of regulation	Quasi-market						
	Tutelary						

(*) The CPAS are subject to public control that might be called tutelary with regard to their general mission as providers of social assistance but their work as work integration operators for the unemployed by means of service vouchers is not regulated as such. The ALEs are also regulated as regards their mission of placement of unemployed, although work is severely limited to 45 hours per worker per month.

Table 2 gives the weight of the different types of providers as regards their head offices, number of jobs and full-time equivalents generated. In particular, it shows that the share of the temporary employment agencies shrinks considerably when we translate the jobs they generate into the equivalent number of full-time posts, whereas, in contrast, we observe a significant increase in the number of jobs generated by most of the providers with a social mission.

Table 2: Relative importance of the different types of providers — head offices, number of jobs and full-time equivalents generated

	% head offices	% number of jobs	% FTE
Work integration social enterprise	8%	10%	13%
Accredited home care provider - associations	6%	12%	17%
Other social economy organizations	8%	5%	5%
Local welfare services, local employment agency, municipality	22%	15%	20%
Accredited home care provider (local welfare services)	5%	3%	4%
Temporary work agency	24%	37%	23%
Other private commercial company	27%	18%	18%

3. A quasi-market with collective benefits, yes or no?

The authorities that finance these services to such a large extent hope that, in addition to providing personal user benefits, these services may impact positively on the collectivity. The preamble to the bill of 20 July 2001 spells out a series of benefits such as a decline in unemployment via job generation, the fight against the black market and a contribution to local development. However, the text also mentions the "promotion of decisions to restore the activity of people who have withdrawn from the labour market, ensure the continuity of professional activity, maintain the chances of remaining employed and career advancement and achieve the best balance between working time, leisure time and house work" (unofficial translation). The annual evaluation reports also underline a collective benefit stressing a complementary effect that had perhaps been underestimated in the first place, that is to say among the users of the service voucher mechanism, we observe a percentage of (very) old people because the scheme allows them to remain longer in their family environment (Idea Consult, 2007). This measure apparently helps to keep old people at home and therefore, where the collectivity is concerned, avoid some of the costs arising from residential care.

By recognising the collective stakes involved, the State justifies the subsidies it pays to the housework services market. However, the State must still ensure the quality of the employment and services on which these collective outcomes depend. Especially when the housework employees are vulnerable, for example, the long-term unemployed, or when the users themselves are vulnerable because they are very old and at risk of losing their autonomy.

4. A quasi-market characterised by uncertainty as to quality

The quality of the employment and the services provided are all the more crucial because this quasi-market is marked by inconsistent information in the sense that some agencies are better informed than others about the conditions and functioning of the transactions.

To begin with, the users do not know the quality of the service they will receive when they

choose the house worker, because work quality can only be ascertained when it has been tested; secondly the workers, mostly unskilled women in this case, also find it difficult to choose an employer, given the difficulty of judging, a priori, the quality of the work on offer. Then, when the user and the worker have made their respective choices, we find incomplete Information, arising from the distance between the employer from the worker, considering that the housework services are provided in the user's home.

The voucher scheme is, of course, designed so that the employer oversees the relationship of service between the worker and the employer: the decree stipulates that the worker and the user are respectively locked into a provider/employer contract (Article 7b) and an "agreement binding the user to the accredited body" (Article 6). However, in practice, it is not easy for the employers to know for certain that the workers have met the users' demands, are punctual, and have only performed the tasks permitted. Without actually visiting the user's home, the employer is unable to assess the salubrity of the workplace, and monitor the workload demanded by the user. Lastly, even if the users can easily ascertain the standard of the cleaning ex post, they are often out of the house when the cleaner is there, and therefore cannot check the latter's goings-on in person (time of arrival and/or departure, use of telephone, and so on).

Discrepancies also exist in the information at the disposal of the State and the service providers, the reason being that on a quasi-market, the authorities finance and delegate services to a range of providers whose compliance with all the legal provisions cannot easily be verified.

This discrepant information increases the risks of opportunist behaviour, i.e. abuses by the parties involved, that may adversely affect the quality of the job and the service provided. This raises the issue of indicators of quality and trust that might possibly reduce the number of question marks about this kind of quasi-market. Under the service voucher, various indicators may contribute to trust, for instance the certification of the providers or the public evaluations of the scheme. On the one hand, service voucher certification has not proved exacting when all is said and done, and the evaluations, in accordance with Article 10, are intended for the authorities. Their aim therefore is not to improve the dissemination of information to the users and the workers. On the other hand, the non-profit providers, private and public, can boast of a specific trust indicator in their favour because their statutes, barring or strictly limiting the distribution of their profits, make it clear that in principle these providers will not use their informational advantage to maximise and distribute profit to their owners. At the same time, however, this constraint on profit distribution might constitute a weaker incitement to pursue organisational efficiency, in the absence of pressure or penalties by profit-motivated owners. Alongside these impersonal provisions for opinions (potentially) capable of diminishing uncertainties, we find personal on-the-grapevine incentives, when we remember that voucher service users, about to choose their providers, (31.1%), rely on the opinion of friends, acquaintances and/or family (Idea Consult, 2006). However, there is a major limitation to this source of information: the experience of another user is based to a large extent on the qualities of his/her home worker and on their mutual relationship, characteristics that are not transferable to the other workers of the same provider organisation.

In this quasi-market marked by serious doubts about job and service quality, we can sum up our core question as follows: do the mission and/or the ownership sector of the voucher providers affect, in one way or another, job quality and service organisation, and, indirectly, produce collective impacts. More specifically, do the providers with a social mission obtain better results on these different levels?

5. Analysis of organisational quality of service and employment

We resorted to two data sources to answer the questions pertaining to this section: first, the

administrative data bases maintained by ONEM (Office National pour l'Emploi, National Employment Office) that encodes all the service voucher providers, and secondly the data collected from surveys carried out on a sample of 52 voucher providers, distributed over the 3 national Regions and the 7 categories of our provider typology .

The organisational quality of the service was explored via the procedural indicators ensuring that the services meet the user's needs by matching the latter's profile. This is just one approach that, some time in the future, should be combined with a user survey, but we had to limit ourselves to information from the provider agencies. As for the quality of the jobs generated, they were analysed through a series of indicators dealing with the employment contract, work schedules, training, supervision and the like. Factor analyses were used to process all these data. Our results are those that differentiate the various provider groups in a statistically significant manner.

First, the home care public and private bodies (SAFPA) seem to be particularly efficient at the two levels we have just mentioned. As for the organisational quality of the services, these providers stand out for the way in which they start up the service in the new user's home, by making a domiciliary visit in most cases. While given its cost for the provider, the usefulness of such a home visit is arguable in the case of a non-vulnerable user, it is important when the users are vulnerable, for instance, people who are elderly and dependent. Our study shows that the elderly, of whom many turn to the voucher scheme (more than 30% among the over sixties, and 8.1 % among the over eighties) resort in greater numbers to these home care operators, probably because their mission is directed towards these specific people. Note, however, that house inspection is also helpful for the voucher worker who is "isolated" in the user's home because it allows the employer to assess the working conditions and environment for themselves, check the salubrity of the premises, spot potential dangers and safety problems, work out a balanced workload, etc. Thanks to this visit, the employer providers can also point out to the users that the workers are under their authority and, if necessary, set the record straight about the exact nature of their services. Even if the home care organisations are not bound to make these inspections under a regulatory framework, they apparently tend to apply to their service voucher activities the operational ways and means pertaining to their home care service that is subject to specific regional certification. Moreover, these organisations stand out regarding the exact content of the services they provide by delineating the limits of home care jobs. In view of the discordant information already mentioned, these workers risk effecting unauthorised tasks, even unknown to the employer. This is especially true of the risk of overlap with the job of home care services for vulnerable people (the elderly, the sick and the handicapped) that also entails household tasks. The correct articulation between the two different jobs — home care and voucher housework — observed within the SAPFA is of great benefit for the elderly represented in greater numbers within this type of providers. So, there is less risk of finding many elderly people within the voucher scheme, at the receiving end of inappropriate services from voucher workers, less skilled than home care workers.

As regards job quality, these providers of home help distinguish themselves from each other by accompanying their workers in a serious way, thanks to meetings, coaching and evaluations. These aspects linked to worker accompaniment are crucial for job quality when we keep in mind that, given the work on offer, the workers involved are often poorly qualified. Although there may be differences between providers, a federal survey carried out in 2008 shows that 39% have at most a lower secondary diploma, hence the importance of training and assessments, even if we are "only" talking about housework. Meetings are also very useful because, among other factors, they break the worker's isolation, encourage the sharing of experiences, let workers "unload" the burden of difficult experiences and benefit, if necessary, from social support. In addition, these home help organisations distinguish themselves by supporting more effectively the way in which the relationship between user and worker shapes up, either before or during the first working period. Whereas most of the organisations say they

take care to match users and workers as best they can, it seems that in practice these intentions find concrete expression in widely different methods of accompaniment. We note, for instance, that among some providers, especially those that are profit-motivated, the employer tends to give way to the user by allowing him to ask for another worker after this first encounter. Even if this yielding to the user's demand may be considered an aspect of service quality, it certainly does not argue in favour of job market entry for the people who want to gain a fresh foothold in the work circuit. Lastly, our research shows that home care organisations give priority to open-ended contracts and above-average working time (in sharp contrast, for example, to the numerous jobs with much reduced working-time, available in the temping agencies). Again, these employment practices may be attributed to the transfer of the operational modes of the pre-existent home care service to their service voucher section, especially in respect of worker supervision and training.

Note too the good performance of the operators with a work integration mission. The indicators for the accompaniment of workers and the type of contracts proposed, as regards working time and contract duration, evidence the quite marked superiority of these bodies compared with that of the private for-profit firms, especially the temping agencies. These results suggest that the work integration organisations focus very specifically on the quality of the jobs they propose. In so doing, they broadly respect their assigned work integration mission, for which there is a specific regulatory framework and supplementary subsidies. However, our efficiency analysis (cf note 6) reveals the marked differences between public work integration structures as opposed to those of their social economy counterparts that rank above them. Our findings may seem surprising because the public work integration organisations certainly enjoy more "shared benefits": they have for example supervisory and/or management staff at their disposal or perhaps infrastructure, from the same mother organisation, i.e. a CPAS or an ALE. The more centralised, more bureaucratic management methods of the public structures and a different socio-occupational "culture" may, at least partly, explain these divergent results.

As for the organisational quality of the service, we found that the work integration organisations had an average profile compared with the other providers taken as a whole, in terms of user age and the organisational practices implemented for the setting-up and monitoring of the service. Again, this observation implies that their specificity lies very much elsewhere, that is in their work integration mission.

In contrast, the scope of the service and employment services we analysed highlight noticeably inferior results for profit-motivated private sector providers. In most of these cases, the providers manage the launching of the service from a distance, and this may pose a problem for vulnerable users and/or the provider's capacity to ensure decent working conditions for their staff. Furthermore, profit-motivated providers adhere less satisfactorily to the limits of housework jobs than the providers whose mission is one of home care or work integration. However, the risk of service mismatch with user profile is mitigated by the fact that far fewer (very) old people figure among the clients of for-profit providers compared with the numbers choosing providers with a social mission. Where job quality is concerned, the indicators relating to worker accompaniment and the type of contract proposed also highlight lower performances on the part of those providers who want to maximise to the utmost the volume of the service vouchers they receive, by leaving their workers little breathing space for other activities apart from the hours spent with their clients.

Even taking these various aspects into consideration, it is still advisable to differentiate sharply between the temping agencies and other for-profit firms. While the operating practices of the temping agencies are relatively homogenous, there is real diversity in the practices of commercial companies, interim jobs apart, and we will come back to this point below.

The very specific *modus operandi* of the temping agencies must be clarified to begin with. They

emphasise their capacity of adaptation to their users' desiderata and the minimisation of costs to the detriment of the quality of the jobs they make as flexible as possible. This boils down to scant worker accompaniment along with the lower quality of the contracts they propose in terms of duration and working hours. While within all the other enterprise categories, between 50 and 90% of the workers receive open-ended contracts on being hired, only slightly more than 10% of temporary workers receive such contracts from the onset. Moreover, although legal provisions stipulate that an employer is obliged to offer his workers open-ended contracts 3 or 6 months after first hiring them, more than 50% of temporary agency workers still have fixed-term contracts 6 months later. Where working time is concerned, our research shows that temping entails the least number of hours per worker, a conclusion corroborated by the State Audit Office as follows: Working time in the interim sector is the lowest compared with all the other categories of (employment) enterprises ... (The data show that) 77% of temporary workers work less than 600 hours a year (State Audit Office, 2009, p.37), or less than 13 hours a week, which makes their replacement very much easier. Admittedly, most of the temporary workers doubtless prefer part-time jobs and have no desire to maximise their hourly workload, yet it is surely clear that the offer of a minimal part-time job, all things being equal, is symptomatic of poor quality employment. These job practices go in hand in hand with significant worker turnover in the temping agencies, without affecting their capacity to attract many workers.

This option in favour of maximising productivity and profitability is less predominant in some of the private profit-motivated organisations, leaving aside the temping agencies. We noticed that some of these SMEs organise home visits, appoint a person in charge of work quality, and so on. The accompaniment of workers is more important as regards training and the supervision of the user-worker relationship, and the contracts proposed in terms of working time and duration are better than in the temping agencies.

Finally, we noted the poor performances, both in terms of organisation of the services and in terms of job quality, of the social economy organisations classified in the "Other" category, i.e. whose mission is neither one of labour market integration nor of home care and which are not accredited. This tendency is most probably due to a lack of professionalism on the part of these organisations rather than to a will to maximise profit .

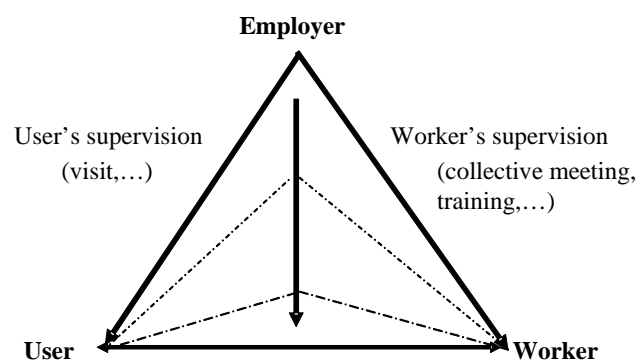
The triangulation of the service relationship

To conclude this analysis of the organisation of services and jobs, we feel we should examine our results in light of a dynamic we can call the "triangulation of the worker/employer/user relationship". Where the voucher service is concerned, in contrast to the French scheme of "universal service job voucher" (CESU) that allows transactions from person to person, the Belgian government introduced from the beginning a triangulation of the service relationship by placing it under the auspices of an accredited firm, over which the State could exercise some control. Thus, under the service voucher scheme, the direct employment of a worker by the user is strictly prohibited. We may assume that proper service triangulation is a source of trust for the parties engaged in this transaction in a quasi-market characterised by deep-seated ambiguities.

Still, our analysis of job quality (training, worker supervision, type of contract and so on) and service organisation shows that the different types of providers attach variable degrees of importance to service triangulation: the providers with the social mission of labour market integration and home care supervise their workers and users to a greater extent compared with the profit-motivated firms and especially the temping agencies where the triangulation relationship wears thin by virtue of the primacy of the commercial relationship with the user and consequently job flexibility and service, on the level of contract duration, working time and schedules. In these provider categories, we see in sum a levelling down of the triangle (Figure1): the top angle subsides into a configuration dominated by the horizontal relationship between user and worker, or towards a sort of "mandatory" service where the voucher service employer

is for the most part responsible for administrative formalities (contract management, payment of wages, etc.) but exercises scant control over the service relationship built up between user and worker. In such cases, the user may find himself in the position of a de facto employer.

Figure 1: Levelling down of the triangular relationship



6. Financing and viability of the voucher service providers

The quasi-market is characterised by an assortment of providers as regards sector and mission but also as regards its sources of public funding. All the providers certainly enjoy the same public support through the voucher service scheme. However, a number of these structures are covered by regional grants, thanks to their tutelary type certification. In consequence, the work integration enterprises accumulate the voucher and the regional subsidies attached to their mission. The position of the accredited services for home care is different because the regional subsidy is intended to cover home care services for vulnerable people, for instance health and hygiene care, administrative, social and assistance, and not voucher tasks. These providers then find themselves in the same situation as the other provider types that accumulate different occupations and therefore share resources — local subsidies, staff, etc., with a complementary activity related to a voucher service that may also be subsidised. This is specifically the case for the ALEs and the CPAS. Moreover, all the providers are eligible for employment assistance measures such as ACTIVA and SINE; other measures like SINE to promote market entry are only available for certain social economy providers and some public (CPAS) or parastatal (ALE) structures, while ACTIVA facilitates the employment of job seekers at least 45 years of age and long-term unemployed categories.

It is not easy to make a comparative analysis of the financial logic of service voucher providers because of the huge number of variable parameters in force: those of the joint commissions (JCs and subcommissions, or commissions paritaires to which the social partners are answerable and on which they enjoy equal representation), worker seniority, access to certain types of job assistance, etc.: the need to take all charges such as overheads and depreciation into consideration; the difficulty of itemising shared resources, even though the voucher section is supposed to be an autonomous entity at book-keeping and administrative level; the difficulty of getting reliable information concerning the providers. Partly for these reasons but also, among others, for problems arising from the random sampling procedure, methodology, classification of the types of job assistance, uncertified accounting data on the basis of the annual reports, the audit sponsored by the SPF (Service Public Fédéral Emploi, Travail et Concertation Sociale, Federal Public Service Employment, Labour and Social Dialogue) and carried out by PricewaterhouseCoopers (2007) was much criticised, particularly in the 2009 report of the State Audit Office, for the evaluation of service voucher system.

Nevertheless, the question remains as to whether the disparities in terms of public funding are justified on this quasi-market. Does the more heavily subsidised provider help to produce more collective impacts used to the best advantage by the collectivity? The answer may lie in the provider's attempts to generate jobs for insecure workers, or ensure job quality or better service organisation for more vulnerable beneficiaries. This is the only way of justifying extra subsidies for some providers who are competing on a quasi-market. As Jean Gadrey (2004, p.45) remarks: "If a [social economy, mutual help organisation] is really competing for the type of service it provides with one or more profit-motivated firms, the only justification for granting it certain advantages without infringing the principle of 'loyal competition' is to be found in the observable existence of (its) contributions to the general good that the private [for-profit] firms do not provide or provide less efficiently." (free translation)

In order to answer this question and the one attached to the financial viability of the system, we used simulations to analyse the financial viability of the service voucher providers and determine for certain types of employers, the annual profitability of an equivalent full-time worker with a seniority of 0 to 4 years. We therefore compared the funding (re)resources that can be granted to this worker or his employer and that cover any supplementary public assistance (subsidies to the employer linked to work integration or other active labour policies), the charges that arise from this same worker's employment and vary as a function of the worker's profile plus job and service quality. So, in these simulations, job quality is translated into the salary cost (cf the salary scales drawn up by the joint social partners commissions), the cost of supervision depending on the type of supervision (social and/or administrative) and its intensity, as well as the activity rate corresponding to the ratio between the number of hours of housework services effected in the users' homes and the number of hours paid depending on the employment contracts.

The financial viability of the providers is therefore indissolubly related to job quality, service organisation and the profile of the worker to be supervised. Consequently, the level of activity is an indicator of the employer's propensity to finance "non-productive" hours (hours not worked in the user's home) and therefore not subsidised, devoted, for instance, to supervision and training, or lost through worker absenteeism. We have also found that the employers with access to the SINE measure, financially more advantageous than ACTIVA, are also those (CPAS and work integration) that engage more workers with low-level schooling — at most primary school certificate or lower secondary education (IDEA Consult, 2006).

Even if all the results of this analysis cannot be presented in this abstract, the following aspects can be highlighted: With no seniority and no job assistance, the equivalent in full-time employment is profitable for all the providers, with the exception of SAFPA and the CPAS. This situation can be explained on the one hand by the salary scales under the joint 318 commission (home help) and Committee C that are higher than those of the joint 322.01 commission (service vouchers), by the lesser activity of these organisations (and therefore lower revenue generated from the service vouchers, partly due to the greater number of training and supervisory hours. Conversely, the same worker, still without seniority, becomes (very) profitable for all the providers if he/she also benefits from ACTIVA or SINE job assistance. We must remember that by accumulating service voucher and work integration subsidies along with generous employment assistance such as SINE — that aims at compensating the lower productivity of "hard to employ" workers and accompany them in their efforts to find a job — the work integration firms in the Walloon and Brussels Regions make considerable profit margins, even taking into account the lower activity level of these firms, arising from their specific activity geared to socio-occupational labour market entry. The question of the appropriation of this surplus income deserves to be examined and will be in the future. Note that the Regions apply different policies concerning revenue accumulation; the Flemish Region has now set the relevant ceiling and recently frozen the accumulation of voucher service and work integration

accreditation.

If we examine the case of the same worker who now has four years' seniority, we find that in most cases he is no longer profitable for his/her employer, with or without active labour policy measure. After 5 years in the same structure, federal active labour policy measures as well as the work integration regional subsidies gradually dry up, although all the providers are not affected in the same way. Those, for example, who are attached to a joint commission in which seniority is not limited to 2 years (JC 318, Committee C, and others) are more seriously burdened by worker seniority, whereas under JP 322.01 (service voucher), seniority is currently limited to 2 years, so that these providers run the risk of being ejected, in the end, from the quasi-market. Here again, we find regional differences since the JC 318.02, home care in Flanders, has recently adopted a specific salary scale for service voucher workers, with lower wage scales and a two-year seniority ceiling. Note too that private profit-motivated providers also manage to make a (narrow) positive margin (before entering other charges) thanks, in particular, to a higher rate of activity. Certain practices, especially by temping agencies, help to swell this rate of activity. By keeping workers under fixed-term contracts, for periods extending beyond the legal term of 3 or 6 months, and by playing around with successive fixed-term contracts, sometimes of very limited duration, these firms avoid paying certain costs linked to worker non-activity (and the consequent loss of revenue attached to service vouchers) such as absenteeism and legal (paid) holidays

Of course, a provider's overall profitability will depend on the number of workers with or without active labour policy, as well as the seniority of its workforce as a whole. All operators have to cope with some natural departures which may give them a chance to renew certain forms of job assistance — at the cost however of a possible selection of workers on entry and the lowering of average staff seniority. Nonetheless, while some employers aim to achieve job stability, others are characterised by a very high rate of staff turnover. In 2006, for example, at least 70% (resp. 50%) of the workers remained less than 9 months in the temporary sector (resp. profit-motivated, not temping). Conversely, less than 30% of the workers engaged by providers with a social mission of work integration or home care remained less than 9 months. As a result, these providers bear a greater share of the effects of seniority and the degression of active labour policies. Therefore, the large sums of surplus revenue earned during the start-up and early period of the work integration firms may be considered, at least in part, as a means of financing "tomorrow's losses" generated by secure, quality jobs. But is this a right economic model? Another point: The sharing out of resources among the providers able to do so (ALE, SAFPA, CPAS) may also be considered a strategy for perpetuating the activity, it even if it makes more difficult to delineate the frontiers of the activity of the service voucher. Final remark: the providers who do not benefit from additional subsidies or who do not try to benefit from active labour policies (those dealing with eligible but hard-to-employ workers who complicate management operations, in particular due to absenteeism) may be tempted either to step up workforce turnover or increase their rate of activity to the detriment of providing quality jobs.

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