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# THE CARE SECTOR IN CRISIS: CHALLENGES FOR SOCIAL PARTNERS IN CENTRAL AND EASTERN EUROPE

Executive summary  
of the comparative report

INSTITUTE OF  
PUBLIC AFFAIRS

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## Executive Summary

This executive summary shows the key challenges facing the care sector in twelve Central and Eastern European (CEE) countries: Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia, Slovakia, and Slovenia. The study focuses on early childhood education and care (ECEC), long-term care (LTC), and social assistance centres (SAC), highlighting structural issues, labour conditions, and the state of collective bargaining in the sector. The findings emphasise chronic underfunding, labour shortages, fragmented sector management, and the weaknesses of social dialogue mechanisms in many countries. Recommendations are provided to enhance the sector's sustainability and improve the working conditions of care employees.

## Key challenges in the care sector

1. **Chronic underfunding:** The care sector in CEE countries receives significantly lower funding compared to Western Europe. Long-term care spending as a share of GDP is often below 1%, with some countries such as Slovakia allocating as little as 0.03%. Limited financial resources hinder service provision, infrastructure development, and staff remuneration. This problem was highlighted by representatives of the sector interviewed in virtually all countries under scrutiny.
2. **Labour shortages and workforce ageing:** A critical issue in the sector is the growing shortage of care workers. The workforce is ageing, with a significant proportion of employees over 50 years old. Younger workers are leaving due to low wages and poor working conditions, opting instead for healthcare or other sectors with better working conditions and pay, or choosing to migrate to Western European countries for employment opportunities. The prospect of working in this sector is often unattractive even to immigrants from poorer third countries. This leads to further staff shortages and increased workloads for those who remain, thereby worsening working conditions.
3. **The growing demand for care services,** resulting from the ageing population in the region, has led to an increased demand for long-term care services. At the same time, with socio-economic development, expectations regarding the quality of care services are growing, as is the

demand for formal early childhood education and care services, due to parents expecting more support from the state in their professional activities.

4. **Low wages and poor working conditions:** Care workers are among the lowest-paid employees, often earning near the statutory minimum wage, with many receiving additional allowances rather than direct salary increases. Working conditions are physically and emotionally demanding, with a high risk of burnout, exposure to occupational hazards such as, among other things, the risk of infection, aggression from service users or their family members, or mental health problems resulting from hard, unrelenting and often emotional work. This is often accompanied by insufficient assistance from employers, e.g. in terms of psychological support and supervision. Moreover, in some countries, negative relationships in the workplace (e.g. bullying by co-workers or supervisors) were also pointed out, as well as generally low social recognition for workers in the sector.
5. **Fragmentation and lack of coordination:** The care sector is highly fragmented in the region and often within the individual country, with responsibilities divided between different government and local government levels, healthcare, social care and educational sectors, as well as public and non-public (both for-profit and non-profit) service providers. Coordination issues lead to inefficiencies and inconsistencies in care provision, as well as an unclear situation regarding the responsibility of a specific level of public authority for conducting possible collective bargaining.
6. **Weak social dialogue and collective bargaining:** In many CEE countries, trade union representation in the care sector is low, and collective bargaining is either ineffective or absent. Many care workers are not covered by collective agreements, and negotiations often occur at a company level rather than sector-wide. Employer representation is also weak, further complicating negotiations.

## Collective bargaining in the care sector

1. **Diverse models of negotiation:** Some countries, such as Slovenia and Lithuania, have strong sector-wide collective agreements covering all care workers. Others, including Poland and Estonia, rely on company-level agreements, covering a very small portion of the workforce. The scope of issues negotiated varies between countries (although wage issues tend to dominate), as well as the level of added value resulting from the agreements made in relation to the working conditions arising from generally applicable regulations.
2. **Challenges to collective bargaining:** Many barriers hinder effective collective bargaining, including low union membership, legal restrictions, and financial constraints on local governments. Employers in private care institutions are often reluctant to engage in negotiations. Employees sometimes do not want to get involved in trade unions for various reasons, among other things, because they do not believe in the sense of such activities or are passive due to the burden of professional duties.
3. **Best practices:** Some examples of successful collective bargaining include wage increases in Latvia and Bulgaria following union-led protests, and targeted union strategies in Slovenia and Slovakia to improve working conditions and enforce labour rights. By showing commitment and negotiation skills, as well as providing employees with various valuable services and initiatives, trade unionists are sometimes able to persuade employees to join them.

## The impact of European policy and social dialogue

1. **Limited engagement with European institutions:** Many national social partners are unaware of or disengaged from European-level social dialogue. Trade unions in some countries express interest in receiving training and support from European federations, such as the EPSU.
2. **Weak influence of EU legislation:** In some countries, EU labour regulations and directives have a limited impact on national policies. However, European-level advocacy remains essential to push for improved labour standards in the care sector.

## Recommendations

### 1. **For European Social Partners:**

- › Strengthen cooperation with national unions through training and knowledge exchange.
- › Advocate for increased EU funding and investment in the care sector.
- › Emphasise the importance of relevant funding for the sector in light of demographic trends leading to an increased demand for long-term care services, as well as growing expectations regarding their availability and quality.
- › Monitor the implementation of the EU Directive on Adequate Minimum Wages to ensure compliance and effectiveness.
- › Advocate for a Psychosocial Risks Directive.
- › Advocate for the implementation of the Framework of Action on Retention and Recruitment in Social Services, which is a document of particular importance for improving working conditions and strengthening social dialogue in the sector.

### 2. **For National Social Partners:**

- › Expand collective bargaining coverage, particularly in the non-public care sector.
- › Enhance communication strategies to increase union membership and worker engagement.
- › Push for policy reforms to secure sustainable funding and improve working conditions in the sector.
- › Push for safe staffing levels agreements.
- › Engage in the exchange of knowledge, good practices, and experiences with trade unionists from other countries, with the support and mediation of European Social Partners.

## Conclusions

The care sector in Central and Eastern Europe is in crisis, due to chronic and prolonged underfunding, persistent workforce shortages, and weak collective bargaining structures. Addressing these challenges requires stronger social dialogue, increased investment, and better coordination between national and European stakeholders. Policies aimed at improving working conditions and wages should be promoted so that workers can be retained and, in the longer term, new generations of them can be effectively recruited. Implementing these recommendations will be critical to ensuring the long-term sustainability of care services and improving conditions for care workers across the region. This, in turn, is a condition necessary for the proper functioning of societies and the well-being of citizens in the future.

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