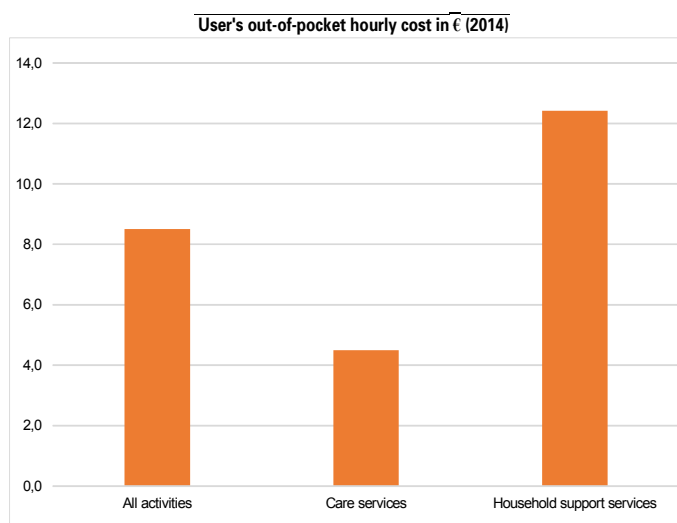# TRÉSOR-ECONOMICS

Policies to support personal and household services

■ The personal and household services sector meet specific needs at different points in the human life cycle (early childhood, old age, etc.) in a context of changing lifestyles, brought about in part by women's increasing participation in the labour force. The services include both care services (for children, the dependent elderly or the disabled) and non-care services or household support services (such as cleaning, ironing, gardening and minor home repairs).

■ Government support for this sector is being driven (i) by policies to promote economic development and jobs, which set out(to make the cost of household support services comparable to the cost of undeclared labour and (ii) by a social justice objective, which is to ensure universal access to care services, regardless of income.

■ This support is made up of some fifteen measures that are directed at both the supply (social contribution exemptions) and demand (tax benefits and direct subsidies). These measures are specific, but, in practice, they are interlinked as they all help to reduce the price paid by the user. Nevertheless, simplifying and stabilising the social and tax framework would foster the development of this sector.

■ The total tax expenditures and social contribution exemptions to promote this sector were assessed at some €6.4bn in 2014. When the direct subsidies, partly paid by local governments, and general policy measures to reduce the cost of labour are included, the gross cost of government policies for personal and household services rises to slightly below €11.5bn.

■ A financial analysis ascertains the fiscal impact of greater use of personal and household service schemes if public support remains at the same level. The findings show contrasting situations, depending on the services concerned. In particular, greater use of household support service schemes, with simplified payment procedures, would not have a significant short-term fiscal impact. This is not the case, however, for care service schemes. This fiscal impact of this sector of services was a deficit of approximately €2.8bn in 2014.

User's out-of-pocket hourly cost in € (2014)

Source: DG Trésor and DGE.

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DE L'INDUSTRIE ET DU NUMÉRIQUE

1. Use of personal and household services represents a trade-off between "do it myself" and "pay someone else to do it"

Personal and household services (PHS) can be broken down into 23 activities that are all produced and consumed in the home, or its immediate surroundings. These services meet needs at different points in the life cycle (early childhood and old age), as lifestyles change and more women participate in the labour force. Personal and household services encompass both care and household support services[1].

Household production is still the primary means of meeting daily needs. According to France's national statistics institute (INSEE), households produce 97% of personal and household services[2]. French adults spend on average 3 hours per day on such activities, and up to 5 hours per day in the case of women living in a couple with children. Outsourcing of PHS, excluding undeclared employment, only comes to 4 minutes a day per adult, which means outsourcing accounts for nearly 2% of the production within households[3].

The growth of PHS depends on the choices households make between "do it myself" and "pay someone else to do it". G. Becker[4] analyses this decision as based on a trade-off between the monetary cost of paying an outside provider and the opportunity cost, as measured by the net wages of each member of the household. The opportunity cost stems from doing it myself and, consequently, not being available for paid work. If the opportunity cost is greater than the monetary cost, the decision is made to outsource the production of household services. The use of undeclared work instead of declared work may influence the trade-off insofar as not paying taxes and contributions reduces the cost of the service. In this case, the cost is equal to the net wage of the provider.

Chart 1: Household production and outsourcing of PHS in 2014

- Declared work 2%
- Undeclared work 1%
- Household production 97%
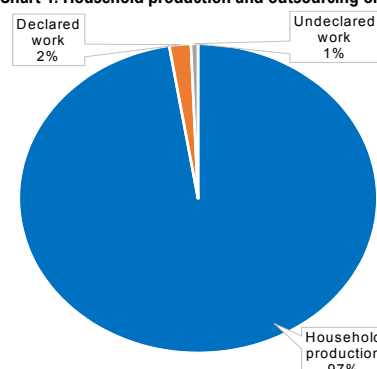
Sources: Nova, Acoss, INSEE and DG Trésor and DGE calculations.

It is also possible to present the use of PHS as a series of choices[5] that can be illustrated by a decision tree (see Chart 2). Several other variables, in addition to household income and the cost of services come into play, such as age, level of dependency and changing family structures. In this context, the notion of personal convenience services, which is often confused with household support services, is defined only by the choices made at the last node in the decision tree.

Chart 2: Decision tree for outsourcing household tasks
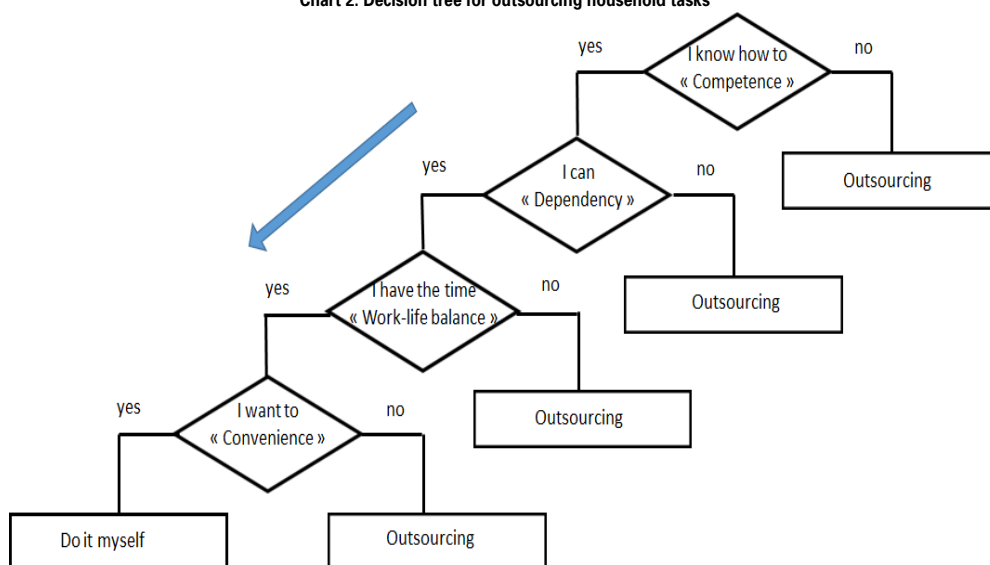
Source: the authors.

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(1) The term "care services" refers to care of children under the age of 6, the dependent elderly or disabled and vulnerable families. "Household support services" or "non-care services" refers to activities for independent adults, including the independent elderly.

(2) Le travail domestique : 60 milliards d'heures en 2010", *Insee Première*, No. 1423, November 2012.

(3) The outsourcing rate is calculated as the ratio of total PHS hours to the hours that the adult population spend on household production.

(4) G. Becker developed a family economics theory that assigns a key role to opportunity cost (income derived from an additional hour of work) in calculating utility maximisation with constraints on the budget and time allocated to various family activities.

(5) There are also cultural barriers to "paying someone else to do it" in the case of tasks that are traditionally those of members of the household.

2. Government intervention in the personal and household services sector

2.1 The underlying objectives of government intervention in the sector

A primary justification for government intervention in the sector is the need to ensure access to services for specific vulnerable populations, such as the dependent elderly, young children and the disabled. Government support comes in the form of targeted exemptions from social contributions and direct subsidies that may vary according to dependency and income levels. These measures help reduce out-of-pocket costs for users. An exemption for vulnerable individual employers was introduced in 1948. Ultimately, the cost of programme expenditure reflects the national preference for a level of solidarity that provides the most universal access possible to such services.

A secondary justification for government intervention is a determination to support the creation of jobs for people with relatively low skills. These objectives led to the adoption of specific measures from the start of the 1990s. Several factors specific to the sector justify the government's interest. PHS have a high job content[6], ranging between 90% and 100%. These services provide local jobs stemming from the need for providers and users to be close to each other and the low import content. Finally, the growth of the PHS sector may promote competitiveness gains in other sectors by improving the work-life balance.

Government intervention may also be warranted as part of a drive to deal with undeclared work. Low barriers to entry facilitate undeclared work in this sector: little or no equipment is needed (it is usually provided by the user), and the technical skills required are within almost everyone's grasp. Furthermore, the personal nature of the services may facilitate the use of undeclared employment arrangements.

Over time, the central government has deployed major resources to support the sector: the introduction of a 50% tax reduction for PHS spending in 1991, the opening of the sector to private businesses in 1996 and finally, the introduction of the Universal Service Employment Cheque (CESU) in 2005 and 2006, the expansion of the scope of PHS and the introduction of a 50% tax credit PHS expenditure of employed users.

Today, government intervention relies on some fifteen measures that relate to production costs, as well as directly or indirectly to demand, in order to reduce the out-of-pocket costs for users. This move to make demand more "solvent" is based on tax breaks (tax reductions and tax credits, exemptions and reduced VAT rates) and reduced social contributions, along with direct subsidies (see below).

2.2 The fiscal balance between programme expenditure and the revenue collected from the PHS sector shows a deficit of approximately €2.7bn in 2014.

Programme expenditure in the personal and household services sector seems to be very complex. This complexity stems from the diversity of support schemes for specific populations, the different working arrangements (direct employment, intermediated employment, provider organisations) and the range of service providers (businesses, NGOs and municipal social service centres (CCAS)). The Directorate General of the Treasury (DG Trésor) and the Directorate General for Enterprise (DGE) have developed a special model to describe the financial flows between the various players in the PHS sector and the public sector. The diversity of the sector is captured by 24 social and tax profiles in the model (see box).

Government support for the sector can be broken down into government expenditure (direct subsidies and personal income tax credits) and foregone taxes and contributions (exemptions, deductions, reduced rates, personal income tax reductions)[7] (see Table 1).

Table 1: Programme expenditure on personal and household services in 2014

In €bn	Foregone revenue	Expenditure
General tax cuts	0.1	
Competitiveness and Employment Tax Credit	0.1	
Exemptions for care services	1.7	
Lump-sum exemption of €0.75	0.2	
Other exemptions (self-employed entrepreneurs, not-for-profit intermediaries)	0.1	
Reduced VAT rates or exemptions	0.6	
Direct subsidies		4.9
Other subsidies (Employer-Financed Universal Service Employment Cheque, Restructuring Fund)	0.1	0.1
Personal income tax reduction	1.6	
Personal income tax credit		2.0
TOTAL	**4.5**	**7.0**
	11.5	

Source: model by the DG Trésor and DGE.

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(6) The ratio between net payroll costs and aggregate production costs before tax.

(7) Other costs stemming from new entitlements acquired by workers taking jobs in this sector as a result of government support measures could be counted, over the cost of minimum social benefits. In the preliminary approach, these benefits are not counted.

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The model is designed to describe all of the financial flows between the different players in the sector. There are two sides to the model: (i) a static side that reproduces all of the financial flows stemming from the various government support schemes and (ii) a dynamic side that is designed to capture the short-term impact of potential changes to the tax framework on the financial flows.

In order to provide the best assessment of the final cost for the government, the model distinguishes between 24 different social and tax profiles. The profiles are the result of the intersections between activities and working arrangements. Four working arrangements are described: direct employment, intermediated employment, reliance on a for-profit provider (with special treatment for self-employed entrepreneurs) and reliance on a non-profit provider (NGOs and municipal social service centres (CCAS)). For each of these arrangements, the model distinguishes between six activities: childcare, care for the dependent elderly (with special treatment for vulnerable families), care for the disabled, care for the independent or autonomous elderly, household support services and "skilled support" activities, such as gardening, tutoring and computer assistance.

The static side is first used to calculate the different hourly costs and out-of-pocket costs based on the tax and social measures in force. These hourly costs are then weighted according to the number of hours of service provided and aggregated to reconstitute the total financial volumes. This side is used as a basis for calculating gross costs, gross revenue and the fiscal balances. The static side of the model does not consider indirect revenue generated by the services[b] or deadweight effects[c]. The implied assumption underlying the model is that indirect revenue and the deadweight effect cancel each other out in fiscal terms.

The dynamic side of the model[d] is based on an estimate of the elasticity of demand to the users' out-of-pocket cost and can be used to estimate the effects of changes to the social and tax framework on hourly costs, aggregate financial volumes, employment and unemployment, with due consideration of deadweight effects.

The data are taken from the Nova database, which is the information system for declared service providers, and Central Social Security Agency (Acoss) for direct employment. Various parameters and calibrations are used to distribute certain data between different working arrangements and different activities (e.g. for the distribution of hours between activities and the distribution of direct subsidies). These parameters are based in part on the publications of the Directorate for the Coordination of Research, Studies and Statistics (DARES) and the Directorate of Research, Studies, Assessment and Statistics (DREES), as well as information provided by industry federations.

a. The first version of the model was produced by Pierre-Marie Voegeli in 2013 for the PHS Task Force (MISAP) of the Directorate General for Competitiveness, Industry and Services (DGCIS). The development of the model was discussed with DARES and DREES between September 2014 and March 2015. A fairly similar model was developed by DARES to analyse government support and users' out-of-pocket costs in 2012 (see Benoteau I. and A. Goin, (2015), "Services à la personne : aides publiques et coût pour l'utilisateur", Working Paper No. 194, DARES, November).

b. Examples of indirect revenue include lower expenditure on social benefits stemming from recipients' returning to work, savings generated by keeping dependent persons in their own homes, greater potential for labour force participation through a better work-life balance.

c. A deadweight effect occurs when a player receives government support, but would have taken the same action even without receiving government support. These effects are difficult to estimate, but they are critical for assessing government policies. It can be observed that the lack of any genuine policy to support household support services in other European countries means that declared work represents only 30% of the PHS market. In contrast, in countries like France, which have implemented broad support policies, the ratio ranges from 70% to 75% (DGCIS "Étude sur les SAP dans sept pays européens", November 2011). This seems to indicate that the policies implemented do have an impact on the players' behaviour, which means the deadweight effects are relatively minor.

d. Only the static side of the model was used for the figures presented in this edition of Trésor Economics.

Government expenditure on the PHS sector comes to nearly €7bn[8]. This expenditure breaks down into €4.9bn in direct subsidies[9] and €2bn in personal income tax credits for hiring PHS employees.

The foregone revenue stands at €4.5bn. Some of the foregone revenue is specific to the PHS sector, such as the "care services" exemption, the €0.75 social contribution exemption on hourly wages for certain service activities provided through direct employment or intermediated employment[10], reduced VAT rates and the personal income tax reduction for PHS expenditure. Other measures apply across the board, such as the general reduction in taxes and contributions and the Competitiveness and Employment Tax Credit[11] or the special tax and social security system for self-employed entrepreneurs.

The gross cost of government support for the PHS sector was estimated at nearly €11.5bn for 2014. This is nearly twice the amount of social contribution exemptions and tax expenditures that are specifically dedicated to the sector (€6.4bn)[12]. This estimate highlights the decisive role of government support in the sector, which, according to the model calculations, generates an added-value of €18.4bn[13].

As shown in Table 2, the "gross" tax and social security revenue, primarily in the form of social contributions, generated by the sector is estimated at €8.7bn[14].

(8) Local governments may pay unofficial subsidies for home services. However, such government financing is not included for lack of data.

(9) Direct subsidies are paid by the Departments, pension schemes or family allowance funds. These include the attendance allowance (APA), the disability benefit (PCH), home help and the childcare voucher (CMG).

(10) The deduction was doubled for childcare for 6 to 13-year-olds in 2015. It was increased to €2 on 1 December 2015 for all services that are not eligible for the "care services" exemption.

(11) Non-profit personal and household service organisations are not eligible for the tax credit. However, they are eligible for a VAT exemption, but they have to pay a payroll tax after a deduction that was raised from €6,000 to €20,000 on 1 January 2014.

(12) Tax expenditures and social contribution exemptions (€6.4bn) include exemptions for care services, the lump-sum exemption from social contributions, reduced VAT rates and VAT exemptions, subsidies for employer-financed Universal Service Employment Cheques and personal income tax reductions and credits.

(13) See the July 2014 report by the French Government Audit Office on the development of personal and household services, Annex C of the May 2011 assessment of tax expenditures and social contribution exemptions for personal and household services, and the December 2014 report by the public policy assessment and review committee assessing the development of personal and household services, drafted by M. Pinville and B. Poletti.

Table 2: Gross government revenue in 2014

In €bn	Tax and social security revenue
Social contributions	7.2
VAT	0.9
Payroll taxes	0.1
Other levies	0.5
Total	**8.7**

Source: model by the DG Trésor and DGE.

The estimated tax and social security revenue derived from the PHS sector can be used to assess the fiscal balance of revenue collected on PHS at slightly more than €2.7bn, which is deducted from the cost of support policies. This is defined as the difference between the gross cost (€11.5bn, including foregone revenue) and the gross revenue (€8.7bn)[15]. And yet, any sector of the economy should make a positive contribution to the fiscal balance in order to finance the public services that do not benefit from it directly.

3. The fiscal balance varies depending on the nature of the activities

3.1 The fiscal balance for household support services seems to be in equilibrium on the whole

The 800 million hours of service provided in 2014 are split into 52% for household support services and 48% for care services.

Out of the €11.5bn in programme expenditure, 62% goes to care services, which works out to slightly more than €7bn (see Table 3). **Government support for household support services accounts for 38% of the total, or €4.3bn.** Therefore, government support for personal and household services varies greatly between household support services and care services, according to the social objectives of the policies concerning this sector (see above).

Table 3: Cost and revenue for the major categories of activities in 2014

In €bn	All activities	Care services	Household support services
Gross cost	11.5	7.2	4.3
Exemptions, deductions and reduced rates	2.8	1.8	1.0
Direct subsidies (and other subsidies)	5.1	4.6	0.5
Personal income tax reductions/credits	3.6	0.8	2.8
Gross revenue	8.7	4.3	4.4
Fiscal balance	−2.7	−2.8	0.1
Memorandum item: tax expenditures and social contribution exemptions	*6.4*	*2.6*	*3.8*

Source: model by the DG Trésor and DGE.

Taking into account tax and social security revenue generated by personal and household services enables us to calculate the fiscal balance: this balance is in equilibrium for household support services (with a very slight surplus of €70m) and shows a deficit of €2.8bn in the case of care services.

The structure of support varies greatly depending on the type of activity (see Table 4):

- **All PHS activities enjoy exemptions equal to 25% of the government support.**
- **Care services receive massive direct subsidies (equal to 64% of the government support) and little (11%) in the way of personal income tax benefits (reductions or tax credits).** The relatively small share of tax expenditure for care services stems from the massive scale of direct subsidies, which are paid before tax expenditure, and the fact that the elderly, who do not work, are not eligible for the tax credit. Consequently, the elderly are eligible for the tax reduction only, which is less advantageous, since it is proportionate to the tax owed.

- **In contrast, the tax expenditure plays a decisive role in reducing users' out-of-pocket cost for household support services: it accounts for 66% of total programme expenditure.** Direct subsidies represent only 11% of aggregate programme expenditure. They are mainly limited to the pension schemes financial contribution to Personalised Action Plans for the independent elderly (GIR 5 or 6[16]).

Table 4: Programme expenditure on personal and household services in 2014 by activity

	All activities	Care services	Household support services
Exemptions, deductions and reduced rates	24%	25%	23%
Direct subsidies	44%	64%	11%
Personal income tax reductions and credits	32%	11%	66%

Source: model by the DG Trésor and DGE.

(14) "Gross" revenue includes foregone revenue. "Net" revenue, meaning the revenue that is ultimately collected by the government, is lower because of the foregone revenue. "Net" revenue is estimated at €4.2bn.

(15) "Gross" revenue is the revenue that would be collected without exemptions, deductions or reductions. "Net" revenue, which is the revenue that is actually collected, is estimated at €4.2bn.

(16) The GIR system classifies persons according to their degree of dependence. There are six rankings. Persons classified as GIR 5 or 6 are independently able to accomplish all activities of daily living. They are not eligible for the attendance allowance, but they have access to home help provided by retirement schemes under personalised action plans.

The differences in programme expenditure between care services and household support services have an impact on the cost of each job created (see Table 5). Assuming that the deadweight effect is zero, the level of support per job in the sector is around €24,000. This support varies greatly between care services (€30,000 per job) and household support services (€18,000 per job).

If, for the purposes of illustration, we assume a deadweight effect equal to 50%[17], the cost per job created would range between €61,000 for care service jobs and €36,000 for household support service jobs, with an aggregate average of €48,000 per job. The cost per job created in household support services falls within the cost range identified for measures to reduce payroll contributions on low-wage jobs (€20,000 to €40,000)[18].

Table 5: Annual cost in euros per full-time equivalent job in 2014[a]

	All activities	Care services	Household support services
Support per job	24 000	30 000	18 000
Cost per job created	48 000	61 000	36 000

a.   Based on 1,683 hours per year for full-time equivalent jobs (FTE).

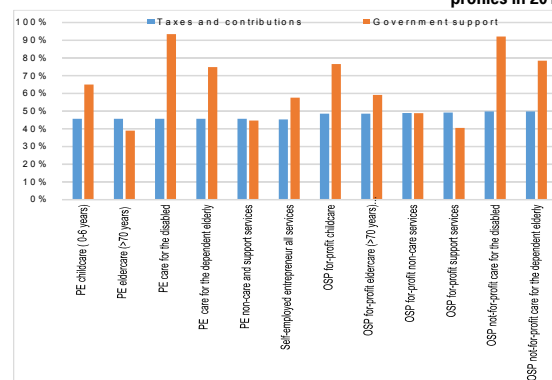*Source : model by the DG Trésor et DGE*

3.2 Support ratios vary depending on activities and working arrangements

The average level of government support is 62%. This percentage is based on the ratio between the gross cost of government support and the actual production cost (or the theoretical price without support). It measures the government support with consideration of the cost differences specific to each activity. It shows large differences between the 24 social and tax profiles: ranging from 40% for certain household support services to 80% for care services and more than 90% for care services for the disabled.

The average tax and contribution rate is 47.5%. This rate is the ratio of gross revenue to production cost and it is relatively uniform across the different social and tax profiles.

The independent elderly present an atypical profile as direct employers with a relatively low level of government support (see Figure 3). The relatively low ratio of support for this working arrangement (along with intermediated employment) stems from the low level of access to personalised action plans and access to tax benefits given the working requirement that comes with the tax credit. This situation results in a smaller reduction of users' out-of-pocket costs and may hamper the growth of services for independent elderly living in their own homes.

Chart 3: Government support and taxes and contributions for different profiles in 2014

Source: model by the DG Trésor and DGE.

Key: PE direct employment, OSP service organisations (for-profit companies, NGOs or CCAS) and support services such as gardening, computer assistance and administrative assistance.

3.3 Users' out-of-pocket costs are commensurate with the cost of undeclared work

One of the objectives of policies to support PHS is to foster legal employment instead of undeclared work. This would require reducing the users' out-of-pocket costs so that they are comparable to the cost of undeclared work. Based on the assumption that the "price" of undeclared work is equal to the employees' net wages, the model provides a comparison of users' out-of-pocket costs to the price of undeclared work for each profile (see Figure 4):

- **The users' out-of-pocket costs for care services are always much lower than the workers' net wages.** This makes it more advantageous to declare the employees instead of resorting to undeclared work,

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(17) By way of comparison, 64% of jobs under subsidised contracts of employment would not exist without government support in the non-market sector, and 19% of such jobs would not exist in the market sector. This means that the deadweight effect, in the broadest sense, stands at 36% and 81% in these sectors (Dares Analyses August 2015 No. 058). We could assume that, in the case of personal and household services, the deadweight effects are not necessarily significant, given the potential for households to produce the services on their own (except in the case of care services) or to rely on undeclared work. For the purposes of illustration, we apply a deadweight effect of 50%, which is between the estimated deadweight effects for subsidised contracts of employment in the market and non-market sectors found by the Directorate for the Coordination of Research, Studies and Statistics (DARES). The mean deadweight effect for all schemes needs to be distinguished from the specific deadweight effects of individual measures, such as raising the cap on eligible expenditures or introducing the tax credit (see Marbot C. (2011), "Services à domicile : quel effet des incitations fiscales ?", *Insee Analyses* No. 1, October, Carbonnier C. (2014), "La réduction/crédit d'impôt pour l'emploi d'un salarié à domicile est-elle efficace en tant que politique de l'emploi ? Méta-analyse des évaluations économétriques 1997-2007", Sciences Po, June).

(18) See Nouveau C., B. Ourliac (2012), "Reduced rate employers' social security contributions on low wages in France, 1993-2009", *Trésor-Economics* No. 97, January.

which is consistent with the objective of facilitating access to care services.

- **In the case of household support services, the users' out-of-pocket costs are generally comparable to net wages, which means that they are equivalent to the price of undeclared work, which should promote the economic growth of this sector**[19]. However, undeclared work is still cheaper for specific qualified support services (administrative assistance, gardening, etc.).

Nonetheless, the users' out-of-pocket costs represent an average for each one of the 24 profiles. These averages do not show the income distribution within each social and tax profile. For example, the users' out-of-pocket cost of €12.40 (see Table 6) for household support services lies between two extreme values: €19.50 with no tax benefits or €9.80 with an effective tax benefit rate of 50%[20]. Consequently, households' situations with regard to undeclared work will vary.

Chart 4: Difference between user's out-of-pocket costs and net wages for different profiles (in euros per hour) 2014
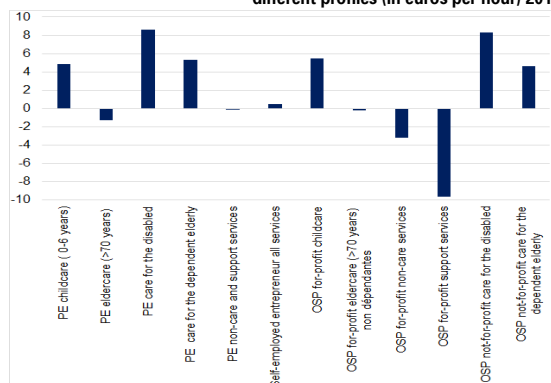
Source: model by the DG Trésor and DGE.

Key: a positive difference denotes that the user's out-of-pocket cost is lower than the price of undeclared work.

Table 6: Decomposition of hourly prices

| Euro per hour worked	All activities	Care services	Household support services
Invoiced price with tax	19.3	17.8	20.7
Direct subsidies	6.3	11.4	1.2
Personal income tax reductions or credits	4.5	1.9	7.1
Average users' out-of-pocket cost	8.5	4.5	12.4

Source: maquette DG Trésor and DGE.

4. Some ideas for boosting the growth of the sector

The use of PHS by intermediate income or age categories is lower on average than that of the other categories (see Chart 5). The growth potential primarily concerns household support services, where the fiscal balance is in equilibrium. This means that, with no change to the government support system, greater use of household support services would not have a significant short-term fiscal impact.

There are two target groups for these services. The primary aim is to offer wage-earners a better life-work balance, as 50% of this group say feel that they have difficulty completing all the household tasks[21]. The second target group is the independent elderly, whose ranks will swell in the future.

Chart 5: Rate of use according to income and age
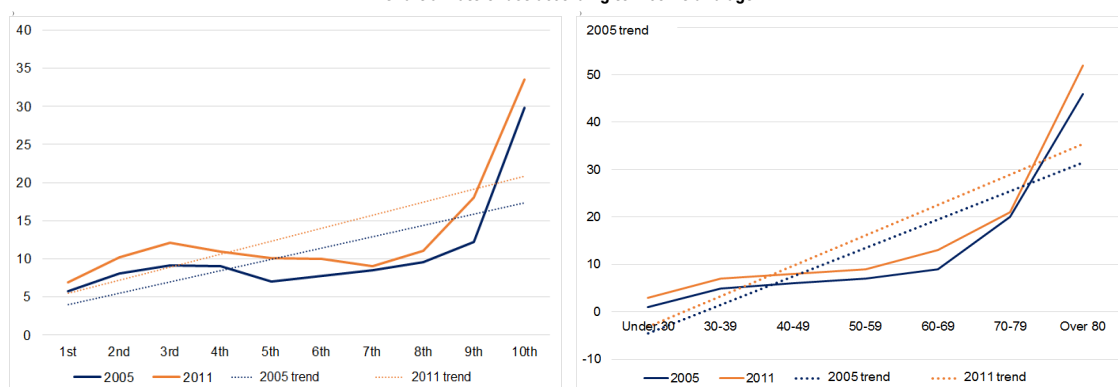
Source: DG Trésor calculations from "Les services à la personne. Qui y recourt ? Et à quel coût ?", Dares Analyses, No. 063, August 2014.

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(19) Since the implementation of the lump-sum deduction of €2 under the 2015 Supplementary Budget Act, declared work may even be more advantageous that undeclared work. For example, in the case of direct employment by a user who is eligible for the tax credit, the user's out-of-pocket cost for a €10 house-cleaning wage will be €8.26.

(20) In 2011, the tax benefit reimbursed user households for up to 36% of their declared expenditure (Dares Analyses No. 063, August 2014).

(21) According to a survey conducted by the National Agency for Improving Working Conditions (ANACT) in 2014.

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The large number of support schemes makes them difficult for users to grasp thoroughly. Simplification of the schemes could be combined with a discussion on the use of digital technologies, for example for centralising online payments for services and distribution of allocations. Simplification is particularly necessary, since undeclared work offers an extremely simple solution. Even if the users' out-of-pocket cost is lower than the price of undeclared work, it may not be enough to overcome the perceived complexity and lack of transparency of support schemes, or the fact that very often the general public simply does not know that the schemes are available[22]. This discussion could also be an opportunity to review the appropriateness of the personal income tax reductions and credits. Some of the lowest-income households may not derive the full tax benefits, because of the working requirement pertaining to the tax credit or because their income is too low for them to benefit from the tax reduction equal to 50% of their PHS spending. The lag between the users' expenditure and the tax benefit, which averages 12 months, may be a further obstacle to the growth of demand, since some households may not be able to afford to tie up funds for that long. The lag may also

make it more difficult to determine the actual cost to the user. At the same time, a discussion could tackle the cap on expenditure that is eligible for the tax benefit, in order to ensure fiscal sustainability. The current cap is €12,000, excluding supplements, while the average household expenditure on PHS is about €2,400. The discussion should consider deadweight effects and the specific nature of the various situations relating to childcare, care for the disabled and care for the dependent elderly.

In addition, in view of the impact of a better work-life balance, the social dialogue at sectoral or at enterprises levels **could examine promoting greater use of solutions that facilitate access to PHS, such as the Universal Service Employment Cheques (CESU-RH) co-funded by employers for their employees**[23].

Finally, the "financial" focus of this edition of Trésor Economics should not obscure the other high-profile issues concerning the personal and household service sector, such as recruitment, professionalisation, job quality and the quality of services provided.

<div align="center">

Jean-François LEBRUN*, Alain Fourna**

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* Seconded by th European Commission to the Directorate General of the Treasury
** Directorate General for Enterprise

(22) Brice L., E. Daudey and S. Hoibian, "Le travail dissimulé en France : résultats d'une enquête pilote auprès des ménages", CREDOC, pending publication.

(23) Not much use is made of this scheme (fewer than 3% of wage-earners benefit from it).

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