Stay unique or go with the flow? Religious providers in the care services in Germany and Italy

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Christian-oriented organisations have always been a relevant part of care service providers in countries like Germany and Italy. This is consistent with welfare systems, which, in spite of significant differences between them, are traditionally based on the principle of subsidiarity and on a great role played by civil society organisations in the provision of welfare services.

Their religious inspiration and values have legitimized not only the employment of voluntary and religious staff but also the adoption of their own labour regulations, which are different from those of both public employers and lay private employers. In Germany, this means that Christian non-profit providers are traditionally not willing to sign collective labour agreements and offer employment contracts based on consensus-oriented guidelines which do not allow strikes (the so-called 'third ecclesiastic way'). In Italy, different kinds of Catholic employers have their own national labour collective agreements, with different pay and working conditions among them, and also compared to the other private for-profit and non-profit providers. Moreover, they also adopt a paternalistic style in staff management.

In the last decades, Christian providers have had to tackle significant changes in the care regulation and labour market. On the one hand, market reforms in services such as long-term care (LTC) and childcare have increasingly forced religious providers to enter a competition with the other providers, under conditions of cost-containment policies by the State. On the other hand, the increasing staff shortage, the improvement in staff qualification requirements and the crisis of religious vocations have determined serious difficulties in recruitment and retention.

After having provided a short reconstruction of the main issues at the national level in the care sector, the paper analyses how Christian providers are responding to the pressures and challenges in the care service and its labour market in Germany and Italy by focusing on some local cases in LTC and childcare. The cases had been identified within a two-year European research project, which analysed care labour market and employment relations in seven EU countries, coordinated by one of the authors of the paper and financed by the European Commission (DG Employment, Social Affairs & Inclusion, VS/2020/0242). The in-depth investigation carried out in this new contribution is based on a critical analysis of the main relevant documents, elaboration of available data and qualitative semi-structured interviews with the major local and national actors (union representatives, employers, public managers, experts).

In both countries, the analysis shows a process of gradual homogenization between religious and non-religious private providers. However, different trajectories have emerged in Germany and in Italy, which have lead to different results and only limited convergence between the two countries. This depends on the different pre-existing situations, path dependency effects and agency factors.

In Germany, two 'best practice' case studies analyse how and why local Protestant and Catholic providers were willing to renounce the 'third ecclesiastic way' and to sign local labour collective agreements with service sector unions in the federal state of Hessen and in the city-state of Bremen. These agreements secured better wages and working conditions for most employees, and counteracted low wages paid by private providers. In both cases, difficulties in attracting and keeping motivated skilled workers contributed to the employers' willingness to engage in collective wage bargaining. The interplay with the national level of employment relations was neither relevant nor supportive, as these cases questioned traditional values and distinctive features of religious providers. However, they can be seen as pioneers for normalising employment relations in a sector so far characterised by a non-existent or poor capacity to self-organise among both employees as well as employers, which is a prerequisite for engaging in collective bargaining.

In Italy, some local case studies in Tuscany and Central Italy highlighted the trend by religious orders, to outsource their services to other, more competitive Catholic social cooperatives. The attempt to adopt a more professional and managerial style in the internal administration encounters many difficulties, not only for economic reasons but also because it is often considered as a shift towards commercial organisations. Coordination processes among the main employers' organisations at the national and local level are seeking to make staff and pay working conditions more similar, homogenising the main labour collective agreements. Although the employment relations in the non-religious private care services are increasingly taken as a reference model by religious employers, labour regulation in these organisations remains distinctive, with greater attention to ensuring better working conditions than those enjoyed by other employees in the private sector.