



New job opportunities in an ageing society

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Executive Summary

In brief – this paper analyses **new job opportunities in aging societies** arising from increased demand for long-term care (LTC) services. It reviews the current situation in G20 countries in terms of coverage of LTC policies and services, and focuses on the quality of LTC services and jobs. It also refers to policy implications in response to rapid population aging; greater investments in care present compelling **opportunities for decent work**, but also open the way for more progress towards **gender equality**. The paper concludes with a menu of LTC policy options to improve employment quality and the use of technology.

Why does it matter? – as a consequence of significant aging over the next decades, G20 countries will need to address **increased demand for long-term care** as well as **labour shortages in LTC**. Recruiting and retaining skilled care workers is already a challenge. The sector is characterized by low pay and difficult working conditions. Women are over-represented in paid care work and also perform 76 per cent of the total amount of unpaid care hours, including in relation to LTC provision. In this sense, addressing expansion and quality of LTC services and jobs will have implications for **gender equality**.

Challenges and opportunities – despite the growing needs for LTC due to aging populations, **the coverage of LTC remains very low** in G20 countries. In addition, although public expenditure on LTC is expected to increase during the next decades, **current care expenditures remain low** in G20 countries. Some advanced G20 economies even started reducing the generosity of LTC coverage due to budget constraints. Second, **the quality of LTC services and jobs are low** due to the shortages of qualified LTC workers and their poor working conditions. **Improving working conditions**, including through the use of new technologies, and **promoting formal employment for care workers** is crucial for the delivery of high-quality LTC, in which women, part-time and migrant workers are over-represented. Challenges remain with skills levels, low pay, low retention due to stress and burnout, and concerns about job security, social protection and representation. However, opportunities also lie ahead. Increasing investment in the care economy to meet specific SDG targets on health, education, and decent work result in **significant job creation**, a total of 475 million jobs by 2030.

The Menu of LTC Policy Options to improve employment quality and the use of technology

Some key policy directions are offered with possible approaches to improve working conditions and well-being, and increase skills levels as well as the reach and delivery of services.

- **Creating the fiscal space** to invest in quality care policies, services and infrastructure.
- **Adopting financing mechanisms** that ensure financial protection and effective access to services while maintaining the equity and financial sustainability of the LTC system.
- **Addressing the poor quality of jobs** to retain more workers and break occupational segregation: promoting freedom of association and strengthening social dialogue and

collective bargaining, professionalising the workforce, and providing more opportunities for workers in the sector to have a key role in care coordination

- **Promoting healthy ageing and rehabilitation** to postpone the LTC needs
- **Making good use of appropriate technology** to reduce the work burden and improve care

In conclusion, this paper highlights **the necessity of significant investment** in both health-care and LCT services and quality LTC jobs. The expansion of care services offers **a virtuous circle of multiple benefits** in terms of economic growth, reduction of inequalities and poverty, as well as increased social inclusion. It will require **a comprehensive policy package** reshaping macroeconomic, social protection, care, labour and migration policies.

1. The silver economy: challenges and opportunities

In 2015, there were 2.1 billion people in need of care across the world (1.9 billion children under the age of 15, of whom 0.8 billion were under six years of age, and 0.2 billion older persons aged at or above their healthy life expectancy). By 2030, the number of people in need of care is predicted to reach 2.3 billion, driven by an additional 0.1 billion older persons and an additional 0.1 billion children aged 6 to 14 years.¹

In particular, G20 countries will undergo significant demographic change due to ageing over the next decades. The speed of population ageing has been particularly fast in Japan, where the share of the population aged 80 years is expected to rise to 15 per cent by 2050. In the Republic of Korea, the share of the population over 80 will be nearly the same as in Japan by 2050. The pace of population ageing has been slower in non-OECD countries, although is expected to accelerate. In Brazil and China, less than 2 per cent of the population was 80 years and over in 2015, although this share is expected to reach close to 7 per cent in Brazil and more than 8 per cent in China by 2050.²

While longer healthy life expectancy implies that older people can contribute longer to economic and social prosperity, the rates of survival of people with a chronic illness are also rising, meaning that people will experience more years with a disease during their lifetime.³ This affects women in particular, since their life expectancy at age 60 is longer than for men globally. Women are more likely to experience multi-morbidity and frailty in older age, and to be dependent on long-term care systems.

As populations age, the potential supply of labour in the economy relative to this increased demand for long-term care is expected to decline. On average across the G20 economies, there were more than six people of working age (15-64 years) for every person 65 years and older in 2017. This dependency ratio is projected to halve to just three persons by 2050.⁴ In the advanced G20 economies, where population ageing is more advanced, the ratio is projected to decline from 3.4 to 2.1.

Therefore, over the coming decades, many G20 countries will face significant challenges in recruiting and retaining suitably skilled care workers, and in some countries these challenges are already substantial. This paper highlights the challenges and the policy interventions to address shortages in the long-term care.

¹ ILO (2018), *Care work and care jobs for the future of decent work*, ILO, Geneva (available [here](#)).

² OECD (2017a), *Pensions at a Glance 2017: OECD and G20 Indicators*, OECD Publishing, Paris.

³ HelpAge (2017). *Investing in an ageing world: Shifting debates from costs to investments* (London).

⁴ OECD (2017b), *Health at a Glance 2017: OECD Indicators*, OECD Publishing, Paris (available [here](#)).

2. What is long-term care and who is involved?

Long-term care (LTC) refers to the provision of policies and services for persons of all ages who have long-term functional dependency. Dependency creates the need for services designed to compensate for limited capacity to carry out activities of daily living such as bathing, dressing and getting in and out of bed, over a prolonged period of time.⁵ Dependency also results in difficulties in accessing health care and maintaining a healthy lifestyle to prevent deterioration in health and functional status, creating additional emotional needs and strains which must be addressed.

A country's *long-term care system* refers to all caregivers and settings where long-term care may be provided, which in many countries is closely linked to the country's health system, social protection system and the provision of social services. Unpaid care work by family and friends is the most important source of care for people with long-term care needs. In addition, many high-income countries have implemented collective risk-coverage systems of *long-term care*, with cash and/or in-kind benefits. Services are provided by non-health professionals, including domestic workers ("personal assistants") and, less frequently, by nurses. Care recipients are older persons with care needs; in some countries, the same system or benefits also cover children and adults with disabilities, although in most cases long-term care for elderly people and benefits for handicapped younger people are kept separate. Long-term care services include support for daily living activities (e.g. washing, getting in and out of bed, etc.) and can be provided in *community-based* or in *institutional residential* settings. *Community-based care* refers to all forms of care that do not require older persons or persons with disabilities to reside permanently in an institutional care setting; they include in-home care, community and day centres. *Institutional residential care* refers to institutionalized care delivered in assisted-living facilities and nursing homes. *Respite care* provides short-term care in order to relieve unpaid carers. It can occur in people's homes as well as in community and day centres or residential facilities.

Across the world, women perform 76 per cent of the total amount of unpaid care hours, including in relation to LTC provision.⁶ This situation often implies that carers forgo employment and income opportunities or shoulder intensive physical and emotional care work, sometimes at the expense of their own well-being and health.⁷ In no country in the world do men and women provide an equal share of unpaid care work. However, Northern European countries come closest to gender parity, with men performing over 40 per cent of the total volume of unpaid care work. In Canada, United States, France and Germany, men perform just under 40 per cent of the total. Men's contribution is lower

⁵ Colombo, F. Llana-Nozal, A.; Mercier, J.; Tjadens, F. 2011. *Help wanted? Providing and paying for long-term care*, OECD Health Policy Studies, OECD, Paris.

⁶ ILO, 2018.

⁷ Colombo et al., 2011.

than 30 per cent of the total hours of unpaid care work in China (28%); Italy (26%); Japan (23%); Turkey (21%) and India (10%).⁸

The number of hours spent in unpaid care work declines with old age, but remains high. Across Europe, Australia and the US, on average, at least 13 per cent of people aged 50 and over report providing informal care at least once a week. In many cases, care work for older persons is provided by wives, daughters and daughters-in-law.⁹ In Italy and Japan, women in old age spend more time in unpaid care work than working age women.¹⁰ At the same time, as discussed above, the availability of unpaid carers may be decreasing in the future.

The global care workforce plays a key role in LTC work provision. The health and social work sector and domestic work represent the backbone of care jobs in LTC provision. In particular, health and social work sector is a major source of employment. It accounts for 130.2 million jobs worldwide, constituting 3.9 per cent of total global employment.¹¹

3. Why does it matter: Implications of long-term care for gender equality

Unpaid care work constitutes the main barrier to women's participation in labour markets. In 2018, 606 million women of working age have declared themselves to be unavailable for employment or not seeking a job due to unpaid care work, while only 41 million men are inactive for the same reason. An estimated 57 million unpaid workers are providing the bulk of LTC work globally,¹² the large majority of whom are women. A large share of this potential labour force could be activated through universal access to adequate LTC systems of good quality.

Effective access to good quality LTC for all who need such services is crucial for older people in general and older women in particular, given women's longer life expectancy. Good quality LTC can ensure that older people live dignified lives with opportunities for continued personal growth and with intrinsic capacity maintained. Policies which enable people with disabilities to hire personal assistants to help them in their daily lives can remove barriers to entering the labour market and can promote independent living. Not only does good quality LTC contribute to the higher well-being of older people

⁸ ILO, 2018.

⁹ OECD, 2017b.

¹⁰ Ibid.

¹¹ ILO, 2018.

¹² ILO (2017), *World Social Protection Report 2017-19: Universal social protection to achieve the Sustainable Development Goals*, ILO, Geneva (available [here](#)).

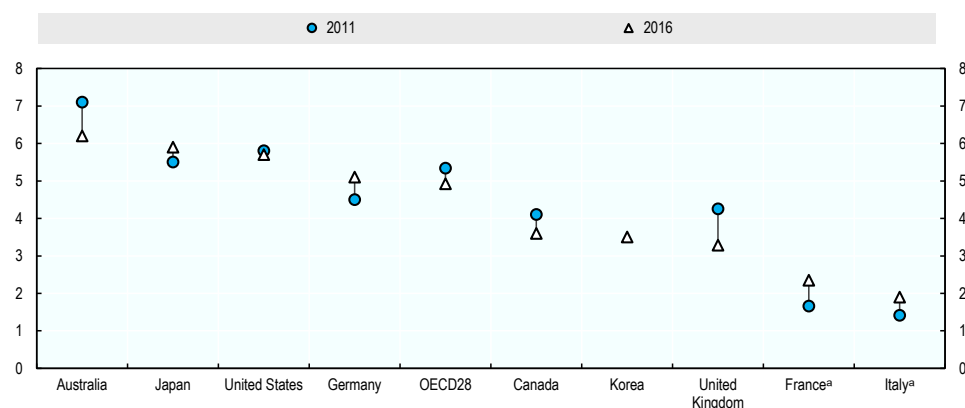
but in conjunction with contextual environments can stop, slow or reverse declines in individuals' capacities over their life course.¹³

4. Coverage of long-term care policies and services in G20 countries

The growth in the older population points to the major role that LTC care will play in future job creation. Despite its increasing importance, there is already a crucial lack of accessibility to LTC services globally. The ILO estimates that there is a global shortage of 13.6 million LTC workers.¹⁴ The highest deficits are in Asia and the Pacific (8.2 million LTC workers), in consequence of the higher numbers of older persons in that region. From 2000 to 2014, work in the health and social sector grew by around 48 per cent, whereas jobs in other sectors grew more slowly or declined. In particular, the supply of LTC workers is growing, but not as fast as population ageing. In several G20 countries, the growth in absolute numbers has been substantial over the period 2011-2016: this includes for instance, Japan (+300 000) and the United States (+190 000). Despite this, the supply of LTC workers per 100 elderly people has only increased moderately in some G20 countries and decreased in other since 2011 (Figure 1). There are on average five LTC workers per 100 people aged 65+ across 28 OECD countries. Low numbers of carers relative to the 65+ populations persist in several countries such as, for instance, France and Italy, raising concerns about their capacity to meet future needs without a stronger policy impulse.¹⁵

Figure 1. Low numbers of carers relative to population aged 65+ persist in most countries

Number of long-term care workers per 100 individuals aged 65 and over, in 2011 and 2016 (or nearest year)



Note: Data must be interpreted with caution, as sample sizes are small. OECD28 is an unweighted average and excludes Chile, Iceland, Latvia, Lithuania, Mexico, New Zealand, Switzerland and Turkey. ^a Data were calculated based on ISCO 3-digit and NACE 2-digit.

Source: EU-LFS, QLFSUK, ASEC-CPS, OECD Health Statistics 2018, and Eurostat for population demographics.

¹³ WHO (2015). *World report on ageing and health*, WHO, Geneva.

¹⁴ Scheil-Adlung, X. (2015), *Long-term care (LTC) protection for older persons: A review of coverage deficits in 46 countries*, ESS Paper Series, ILO, Geneva. ILO, 2017.

¹⁵ OECD (2019 forthcoming), *Policy options for care workers*.

In order to respond to rising LTC needs, many countries are looking at ways to improve LTC coverage for all who need it. Two dimensions are important when assessing coverage: (a) are legal frameworks providing for some LTC benefit or coverage entitlement for all elderly people that are dependent on others for performing daily living activities, and under which conditions (legal coverage), and (b) can people effectively access LTC services of adequate quality (effective coverage)?¹⁶

Regarding the first dimension, most countries across the world do not provide any legal coverage for LTC. More than 48 per cent of the population of persons aged 65 and over in the 46 countries with available information are not covered by any national legislation for LTC benefits and services, while another 46 per cent lives in countries where legal frameworks provide only for means-tested LTC benefits, which implies only those whose incomes and assets are below a certain level will be eligible for those benefits and services. Under 6 per cent of the surveyed population lives in countries that provide universal legal coverage for LTC services.

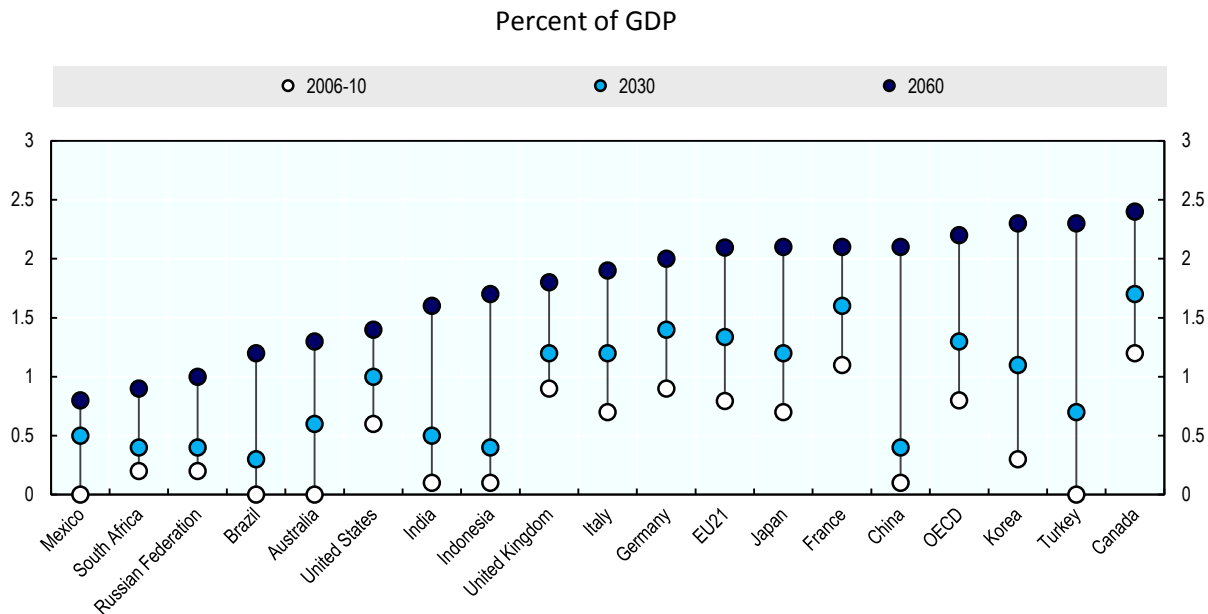
The average long-term care expenditure remains low and mostly below 1.5 per cent of GDP in G20 and high-income countries (Figure 2). Concerns about the costs of an ageing population – which will more than double by 2060 – have led some advanced G20 economies to start reducing the generosity of LTC coverage, either through explicit reforms or by squeezing budgets.¹⁷ However, limiting LTC coverage and adequacy may result in greater inequalities of access, as well as greater risks that higher out-of-pocket expenditure on LTC may lead to higher poverty risks for older persons in need of LTC, as well as their children.¹⁸

¹⁶ For more information on legal and effective coverage, see ILO (2017) World Social Protection Report 2017-19, Annex II.

¹⁷ Muir, T. (2017), “Measuring social protection for long-term care”, *OECD Health Working Papers*, No. 93, OECD Publishing, Paris (available [here](#)).

¹⁸ Ibid, and ILO (2017) World Social Protection Report 2017-19.

Figure 2. Current public expenditure on LTC and projected growth to 2030 and 2060, for selected G20 countries



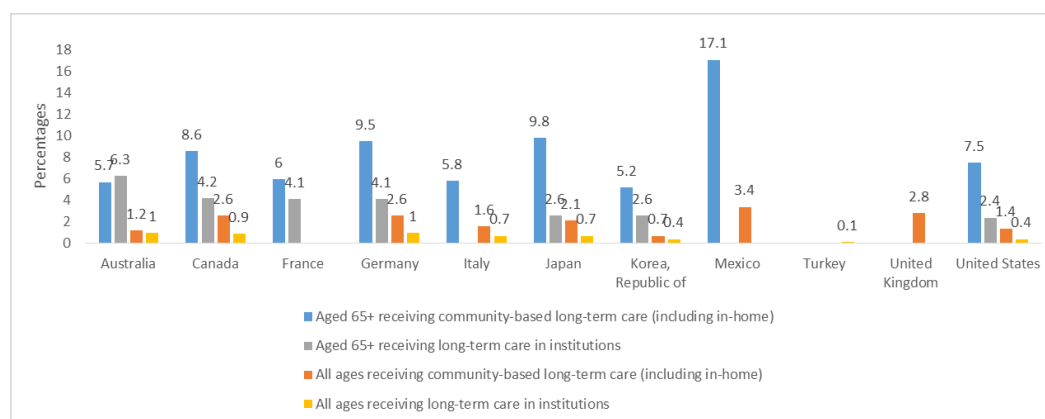
Note: OECD and EU averages are unweighted.

Source: de la Maisonneuve, C. and J. Oliveira Martins (2013), "A Projection Method for Public Health and Long-Term Care Expenditures", OECD Economics Department Working Papers, No. 1048, OECD Publishing, Paris, <https://doi.org/10.1787/5k44v53w5w47-en>.

Access and affordability of services varies according to health systems and whether LTC is part of a universal health-care system or not. ILO estimates in selected high-income countries show that personal expenditure on LTC ranged from 3.5 per cent of household incomes in Luxembourg to 22.9 per cent in Israel in 2015.¹⁹ In 17 high-income countries, 9 per cent of people aged 65 or over receive LTC through community-based services (including in-home services) and about 4 per cent in institutions (see Figure 3). In South Africa, for example, LTC is provided as part of public works programmes. In most countries, family members – mainly daughters, daughters-in-law or female spouses – still provide unpaid care services, even though attitudinal data suggest that a majority of people would prefer some extra-family support.

¹⁹ ILO, 2018.

Figure 3. Long-term care recipients by type of service and by age, latest year



Source: ILO calculations, based on OECD Statistics data for 2016 or most recent year

LTC benefits also exist, with a large variety of systems depending on country specificities and patterns of development in the LTC sector. Collective LTC benefits may be financed through social insurance contributions or by general taxation, with²⁰ only few countries having large private LTC insurance markets. Benefits can be in cash or in-kind. Where services are provided in cash, these may enable older people with long-term care needs to hire a care worker or be cared for by their close relatives. Care leave and related benefits paid to care for sick or older family members are thus examples of the second option. LTC leave provision has been increasing in G20 countries over the past decade although these leave entitlements remain less generous than childcare-related leave. Several countries establish a distinction between short-term and long-term care leave. Short-term care leave ranged from two days leave to 8 weeks for family members at risk of dying (in Canada) and 36 days (in Italy).²¹ While in many countries the leave is paid, other countries grant statutory unpaid leave (e.g. Germany and the United Kingdom) or only provide regulation through collective (e.g. Canada) or individual agreements (e.g. the Russian Federation). LTC leave varies between a few weeks and up to three years. In Italy, carers may receive full earnings replacement (but up to a ceiling) for a period of up to 24 months. However, leave for medical assistance or palliative care may also be unpaid, or paid at lower replacement rates or as a lump sum. It is important to ensure the continued social protection coverage of carers in such instances, which is the case in some countries, e.g. for old age pensions.²²

In Canada, France, Germany and Italy women accounted for at least 60 per cent of care leave beneficiaries, due to continuing traditional gender roles. Men often do not ask for leave, for fear of

²⁰ ILO, 2017.

²¹ OECD (2018), *Care Needed: Improving the Lives of People with Dementia*, OECD Health Policy Studies, OECD Publishing, Paris (available [here](#)).

²² Fultz E (2011), *Pension crediting for caregivers: Policies in Finland, France, Germany, Sweden, the United Kingdom, Canada and Japan*. Washington D.C.: Institute for Women's Policy Research, (available [here](#)).

social stigmatization or other forms of career disadvantage. Further, as men typically earn more than women, if they take care leave this would result in a larger reduction of the family's income.²³

Many countries aim to keep workers with caring responsibilities attached to the labour market. This is a challenge. The number of workers who quit their jobs in Japan is particularly high among those with care responsibilities, especially women. While these measures contribute to recognizing the unpaid care work provided by relatives, the amount of social benefits is usually small and does not replace full earnings when employment is temporarily or permanently interrupted. For instance, on a basis of 22 hours of unpaid care work provided to a relative with moderate needs, carers would receive 100 per cent of the median wage in Canada (Nova Scotia province), about half of the median wage in France and below 30 per cent of the median wage in the Republic of Korea and the United Kingdom.²⁴

5. Quality of long-term work services and jobs in G20 countries

The quality of long-term care services is often low.²⁵ Some of the most pressing issues are the shortage of qualified long-term care workers and the quality and type of care provided. This is due to the poor working conditions that undermine the quality of care. The majority of workers in the formal LTC sector are personal care workers who are women of prime age and with a growing share of foreign-born workers. Around 90 per cent of LTC workers are women in many advanced G20 countries. On average across OECD countries, 20 per cent of workers are nurses while the bulk are personal care workers. On average across OECD countries, 20 per cent of the formal and declared workers are foreign-born, ranging from 34 per cent in Canada to 11 per cent in France. In Germany, this share of foreign-born nurses has risen from 7 per cent in 2013 to 11 per cent in 2017.²⁶

Very few countries actively recruit migrants for work in long-term care. Australia, Canada and Japan have such work permits specifically for long-term care workers. Germany has developed such programs for the placement of nurses that include professional and language preparation and support with integration of skilled workers.

LTC workers have generally lower qualifications than health workers. Most LTC workers hold high school diploma or vocational degrees, and personal carers are more likely to have a lower education level than nurses. A majority of personal care workers hold medium education degrees. In Europe, 62 per cent have a high school diploma or attended vocational schools, while 19 per cent have lower education. In the United States, over 74 per cent of LTC workers have a medium education.

²³ Schmidt, A.E.; Fuchs, M.; Rodrigues, R. (2016), Juggling family and work: Leaves from work to care informally for frail or sick family members – an international perspective, Policy Brief, European Centre for Social Welfare Policy and Research, Vienna.

²⁴ Muir, 2017.

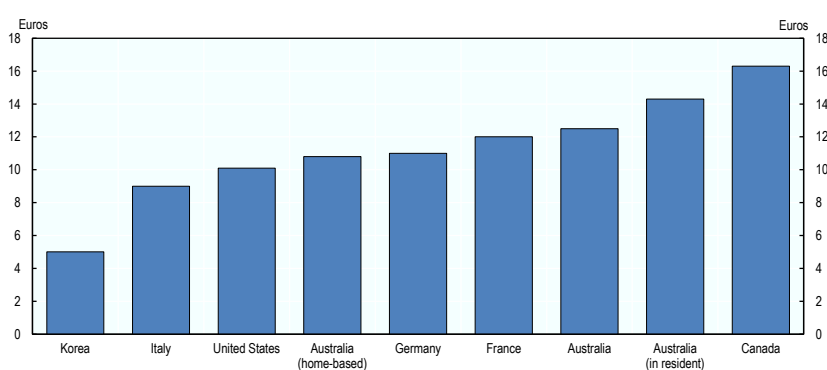
²⁵ Colombo et al. 2011.

²⁶ OECD, 2019 forthcoming.

Relatively low pay discourages workers

Earnings in the LTC workforce tend to be low and pay less than working in the hospital sector. Between 9 per cent and 13 per cent of care jobs are estimated to pay below the national minimum wage (Gardiner, 2015^[8]). Personal care workers are particularly low paid in India, Brazil and South Africa, which have the least compressed pay structures, and in the US, where their working conditions and pay are closer to those of domestic workers. In the UK, the Low Pay Commission has flagged social care as a sector of concern in terms of compliance with the national minimum wage because of cuts in the sector contributing to task-based pay based on contact time only. In several countries, including Australia (home care), France, Germany and Korea they are quite close to minimum wages (Figure 4).

Figure 4. Average gross hourly wages in the long-term care workforce



Note: Data for Canada refer to the average wage. Data for France, Germany and Italy is an average of all workers in this sector.

Wages for Korea, Australia and the United States are for personal care workers.

Source: OECD LTC workforce survey 2018.

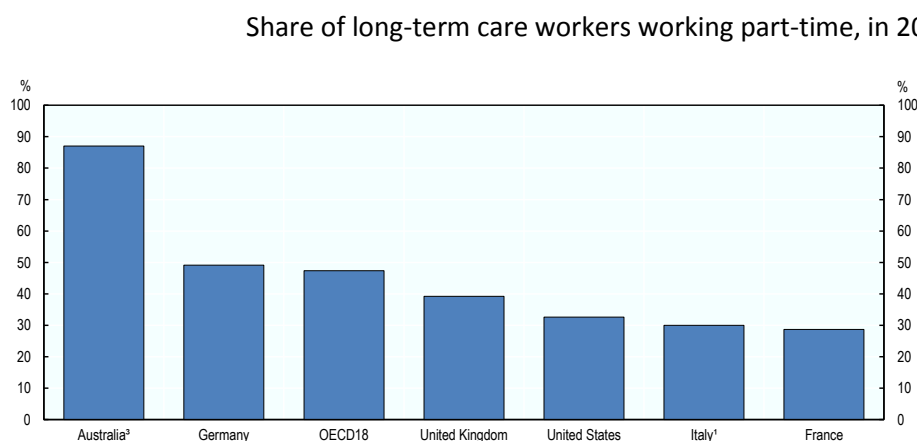
High shares of non-standard work raise concerns about job security, social protection and representation

Non-standard employment is common in the sector. Part-time employment is widespread in the LTC workforce: around 30 per cent or more of LTC workers in advanced G20 economies work part time (Figure 5). It is on average two times higher than the average rate in the economy. Part-time work is also more predominant among personal care workers than among nurses. The bulk of LTC relates to dressing, bathing, feeding and toileting the elderly in the morning and evening, which explains why part-time work is important. Such part-time contracts can result in short-hour weekly contracts in terms of hours worked. In the UK, the use of zero hours contracts in home-based LTC is widespread, and paid hours restricted to time with patients, with staff uncompensated for travel time.²⁷ Workers under this type of contract have less access to training, do not always have benefits such as paid annual

²⁷ Rubery, J. et al. (2015), "'It's All About Time': Time as Contested Terrain in the Management and Experience of Domiciliary Care Work in England", *Human Resource Management*, (available [here](#)).

leave, suffer from low job security and have less access to social protection.²⁸ This makes the sector unattractive because of difficulties to obtain a decent income. Part-time workers face a penalty in terms of poverty risks, promotion opportunities and, in some countries, in terms of access to employment benefits and social protection.²⁹

Figure 5. Non-standard employment is important



Note: The OECD average is unweighted and includes: Australia, Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States.

a. Data cover only those with a permanent position. *b.* Data were calculated based on ISCO 3-digit and NACE 2-digit.

Source: EU-LFS; ASEC-CPS; OECD estimate based on national source for Australia.

Temporary employment also appears to be prominent in some countries, generating more job insecurity in the sector. In France, institutions employ a great proportion of temporary agency workers (*interim*). Indeed, in 2015, 34.6 per cent of institution-based workers are *interim* workers.³⁰

Undeclared work or informal employment is also a concern in the LTC workforce. Undeclared workers are often undocumented migrant workers hired privately by households. The undeclared status of workers can lead to abusive situations, including long working hours and low wages, and lack of training opportunities.³¹ More countries should consider giving specific work permits for LTC workers to remedy shortages and avoid undeclared work.

²⁸ ILO (2016), *Non-standard forms of employment: understanding challenges, shaping prospects*, ILO, Geneva (available [here](#)).

²⁹ Ibid.

³⁰ Muller, M. (2017), *L'accueil des personnes âgées en établissement : entre progression et diversification de l'offre*, DREES, Paris.

³¹ Casanova, G., G. Lamura and A. Principi (2017), "Valuing and Integrating Informal Care as a Core Component of Long-Term Care for Older People: A Comparison of Recent Developments in Italy and Spain", *Journal of Aging and Social Policy* (available [here](#)).

LTC jobs can be demanding and burdensome, leading many to leave the profession due to stress and burnout

Lack of autonomy and support, together with high demands, can put a strain on LTC workers. LTC workers, particularly at home, are often isolated. Workplace organisations and management tend to be hierarchical, leaving workers little possibility to make good use of their skills. Coupled with high caseloads and limited time with patients, this generates a feeling of frustration and overload. A poor work environment – characterised by intensive job demands with insufficient job resources (e.g. feedback and support) – reduces worker well-being, weakens worker engagement and productivity and increases the risk of physical and mental health problems.³²

LTC workers can be exposed to physical and mental well-being risk factors on a daily basis.³³ Lifting patients and bending over a bed when providing care contribute to develop health problems.³⁴ About 60 per cent of LTC workers report being exposed at work to physical risk factors across EU22 in 2013.³⁵ Mental well-being risk factors include severe time pressure, overload of work and violence or threat to violence. Violence perpetrated by a resident or a resident’s visitor are common in the LTC sector. Assaulted LTC workers can experience physical reactions, such as fatigue, sleep problems, headaches and musculoskeletal pain (low back pain, shoulder, wrist and hand, knee) resulting from scratches, cuts and bruises but also emotional reactions, such as anger, sadness, frustration, irritability, fear, self-blame and depression.³⁶ In the US, a 2010 study showed that 48 per cent of institution-based workers had been assaulted at least once in the past 3 months.

6. Potential job creation and decent jobs the long-term care

Several countries are anticipating future shortages of LTC workers and the need to recruit new LTC workers. The Japanese government forecasts a need of 250 000 new LTC workers to meet demand by 2020. In the United States, over the past 20 years, LTC occupations have become one of the top 10-fastest-growing occupations in terms of employment. By 2024, the growth in LTC employment

³² Prinz, C., A. Saint-Martin and H. Inanc (2018), *Job Quality, Health and Productivity: An evidence-based framework for analysis*, OECD Social, Employment and Migration Working Papers.

³³ ILO, 2017b. *Ending violence and harassment against women and men in the world of work*, ILO, Geneva (available [here](#)).

Simon, M. et al. (2008), “Back or neck-pain-related disability of nursing staff in hospitals, nursing homes and home care in seven countries—results from the European NEXT-Study”, *International Journal of Nursing Studies*, Vol. 45/1, pp. 24-34 (available [here](#)).

³⁴ Dulong, M. et al. (2007), “Prevalence of skin and back diseases in geriatric care nurses”, *International Archives of Occupational and Environmental Health*, Vol. 81/8, pp. 983-992 (available [here](#)).

³⁵ OECD, 2019 forthcoming.

³⁶ Miranda, H. et al. (2010), “Violence at the workplace increases the risk of musculoskeletal pain among nursing home workers”, *Occupational & Environmental Medicine*, (available [here](#)).

demand is predicted to reach 30 per cent.³⁷ Moreover, elderly people failing to access LTC services are more likely use hospital care.³⁸ In Australia, predictions shows that the LTC workforce will have to recruit 980 000 new workers by 2050 in order to prevent shortages.³⁹

A macroeconomic simulation study by the ILO in 45 countries, which represents 85 per cent of global GDP and close to 60 per cent of the global population and workforce, show that increasing investment in the care economy to meet specific Sustainable Development Goals' targets on health, education and decent work would result in a total of 475 million jobs by 2030, that is 269 million new direct and indirect jobs compared with the number of jobs in 2015.⁴⁰ Of the 120 million direct jobs, early childhood care and education would be the first largest contributor to employment generation, followed by the long-term care sector, with the creation of 29.6 million new decent jobs. This is followed by health care with 9.3 million new health-care sector jobs.

More than half (52 per cent) of this additional employment would be due to the expansion of coverage in China and India. Beyond their sheer population size, the ageing population in China and current shortfalls in long-term care coverage in India are the reasons for their relatively large share in the creation of new jobs. Japan and the US are two further countries that drive the results, due to their ageing population and their overall population size. Together they account for 29 per cent of total additional long-term care employment. Indirect employment in sectors other than health and long-term care, resulting from the expansion in long-term care expenditure, is 13.9 million jobs.⁴¹ The magnitude of spending on long-term care under the above high road scenario, which predicts a higher coverage rate and better wages for personal long-term care workers, is US\$2.35 trillion. This corresponds to an increase in spending on long-term care up to 2.3 per cent of GDP in order to meet the high road targets (Figure 6).

³⁷ Bureau of Labor Statistics and U.S. Department of Labor (2015), *Occupational outlook handbook, 2016-17 edition, registered nurses*, Bureau of Labor Statistics.

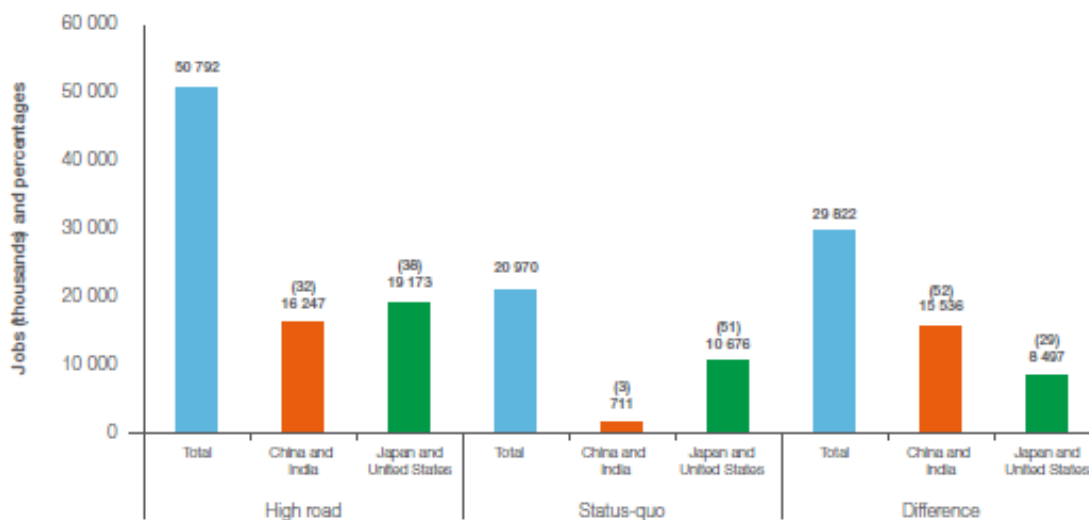
³⁸ Hogan, D. et al. (2014), "High rates of hospital admission among older residents in assisted living facilities: Opportunities for intervention and impact on acute care", *Open Medicine*.

³⁹ Mavromaras, K. et al. (2017), *THE AGED CARE WORKFORCE, 2016*.

⁴⁰ Ilkcaracan, I. ; Kim, K. (forthcoming) *The employment generation impact of meeting SDG targets in early childhood care, education, health and long-term care in 45 countries*, ILO, Geneva. The estimates were built using input-output tables for 45 countries and backward linkages to generate the number of indirect jobs.

⁴¹ ILO, 2018.

Figure 6. Jobs generation in long-term care and country shares



Source: Ilkkaracan and Kim, forthcoming.⁴²

Countries have explored a range of policies to promote recruitment in the sector. Such policies include: 1) initiatives that target younger workers entering the labour market; 2) bringing back workers who may have left the labour market; 3) policies to retrain the unemployed or those working in other sectors who wish to change careers; and 4) policies to broaden the pool of workers outside of traditional channels by attracting men and ethnic minorities.⁴³

Several countries have tried to increase the share of students entering the LTC sector. Countries are using image campaigns to help make the sector more attractive for young people. In the United Kingdom, image campaigns were launched such the “Proud to Care” initiative, the improvement of information among those who provide social care career advice (teachers, staff in job centres etc.), with initiatives such as the Care Ambassadors, who are visiting schools and job centres to talk about their jobs. Targeted training programmes are designed to attract young people to LTC jobs. Such programmes may be more successful if they include practical experience of the sector, for instance through internships. Japan introduced the provision of financial support for students who pursue training to become certified nursing care workers.⁴⁴

Other policies have targeted prime-age and older workers, including those who are re-entering the labour market. In the United States, tax benefits have been used to help older LTC workers gain greater access to education and training, with additional federal funding available to those with lower

⁴² Ilkkaracan, I. Kim, K. forthcoming.

⁴³ OECD 2019 forthcoming.

⁴⁴ Ibid.

incomes. Japan developed the introduction of basic training courses on LTC work targeting mostly women to prepare return to work after a long break. Together with the financial incentives to young students, this led to an increase in the number of LTC workers by 320 000 between 2011 and 2015.⁴⁵

Table 1. Recruitment measures targeting young/old workers in selected G20 countries

Measures	Examples of countries implementing these measures
Recruiting from the traditional pool (making sure people return to the sector or prevent early retirement), with “Job Winner” or “Get back to work” initiatives	Australia, Japan, United Kingdom
Improving image among young workers and students with “Proud to Care” and “Care Ambassadors” initiatives	Australia, United Kingdom
Providing financial support and perseverance grants for LTC education to train unemployed people or caregivers willing to get licenses or certification	Japan
Encouraging volunteer work (“Casserole Club”, “Blouses Roses” etc.)	Australia, France, United Kingdom

Source: OECD LTC workforce survey 2018.

7. Policy responses to improve employment quality and the use of technology

Increasing recruitment will not be enough to address shortages in the LTC sector unless countries place a stronger emphasis in investing in the care economy to create more and better quality jobs. Better jobs will mean a better quality of care, formalization and adequate working conditions for LTC workers, which will improve retention and service delivery. This section offers an overview of possible approaches to improving both working conditions and skills, but also well-being as well as the reach and delivery of services.

Creating the fiscal space to invest in quality care policies, services and infrastructure

Investing in the provision of quality care policies, services and infrastructure in health and social work is necessary to address LTC care needs, make jobs in the sector more attractive to women and men and to reduce unpaid care work, enabling more women to engage in paid employment.

Job losses and public spending cuts in the care sectors are typically offset by additional time and effort devoted by women to unpaid work.⁴⁶ Funding for care policies can be obtained by creating fiscal space for direct care provision, establishing long-term care insurance as a branch of social insurance, or a

⁴⁵ Ibid.

⁴⁶ ILO (2016), *Women at Work trends 2016*, ILO, Geneva.

combination of both. Expanding fiscal space requires the establishment of more transparent, progressive and redistributive tax structures to provide increased tax revenue. This approach is more sustainable than fiscal consolidation and is also less likely to increase inequalities. Other ways could include, for instance, setting up taxation on negative externalities (such as greenhouse gas emissions) or addressing tax avoidance, ensuring that profits are taxed where economic activities generating the profits are performed and where value is created.⁴⁷

Consideration could be given to using tax incentives for some care occupations, especially domestic work or personal care work, as an effective way to support the transition to the formalization of care jobs. Similar tax incentives could be made available to care-related leave (e.g. by exempting cash-for-care or other cash benefits) or care services provided by employers. In addition, tax systems could allow individuals with care-related expenses to deduct them from their declarations, as is the case in a small number of countries (32 out of 177), among which are Argentina, France, Mexico, the Republic of Korea and the US.⁴⁸ Such tax breaks should however be designed in an equitable way, in order to avoid regressive effects.

Addressing the poor quality of jobs will be necessary to retain more workers and break occupational segregation

The first step to achieving decent work for LTC workers entails ensuring that these workers, including migrant care workers, are protected by labour and social security legislation to the same extent as other workers. Legislation should ensure the adequate regulation of non-standard forms of employment, the inclusion of LTC occupations and domestic workers under national minimum wages, and social protection coverage. Increasing starting wages in the sector, having a wage-progression pathway and guaranteeing equal pay for work of equal value would improve the valuation of workers and the motivation to stay. Higher wages have been found to be a predictor of longer job tenure amongst LTC personal care workers.⁴⁹ Providers that have an attractive pay often report fewer challenges in recruitment and retention.

Several countries have tried to improve wages in the sector. In the US, a new regulation extends the right to minimum wage to unlicensed home care workers, who had previously been classified as “companion caregivers”. The Republic of Korea introduced allowances to increase personal care

⁴⁷ OECD (2015), *Taxing multinational enterprises, Base Erosion and Profit Shifting (BEPS)*, Policy Brief, BEPS Update No. 3, Paris (available [here](#)). See also: OECD BEPS Actions: <http://www.oecd.org/tax/beps/beps-actions.htm>

⁴⁸ World Bank (2018), *Women, business and the law*, Washington DC.

⁴⁹ Butler, S. et al. (2014), “Determinants of longer job tenure among home care aides: What makes some stay on the job while others leave?”, *Journal of Applied Gerontology*, (available [here](#)).

workers' wages. Sector-wide collective agreements to raise wages are used in Northern Europe. In Argentina, Brazil, Mexico and Turkey the minimum wage applies to domestic workers.

Part-time work of good quality in care occupations can increase retention in the sector. In several European countries, the considerable share of part-time work limits the sector's attractiveness because of low take-home pay. Longer shifts are being promoted as a way to try to reach full-time jobs, also through combining different jobs in either hospital, home care or day care. In other countries, long working hours can be the norm and this is also the case for undeclared workers at home. Several countries such as Germany and Italy introduced programmes to legalise undocumented workers' status. France has developed tax deductions and lighter administrative declarations to encourage the declaration and formal hiring of such workers.

Regulating working time and unpredictable shifts and changing the organisation of work in LTC by giving more autonomy and support to workers is a promising strategy to improve LTC workers' satisfaction, health, and work-life balance and reduce turnover. Legislative approaches to promote social dialogue on employee-friendly working time and helping companies to adapt work organisation and managerial practise have proved to be useful to ensure a better work-life balance. Self-managed teams such as in Australia provide examples of good practice whereby nurses have more autonomy to decide on the type but also amount of care needed by each client.

Promoting freedom of association and strengthening social dialogue and collective bargaining is a precondition to improving working conditions and quality care

Union membership rates are generally low in care sectors, in particular when public provision is limited. It is therefore crucial that capacity building of unions is encouraged and cooperation is promoted. In South Africa, community health workers mobilized to campaign for decent work and subsequently formed the National Union of Care Workers of South Africa in 2016.⁵⁰ Some unions use new technologies to build capacity, by creating web platforms which enable the dissemination of advice, information and advocacy. Trade unions have a role to play in achieving decent wages. Recently, a trade union in the service sector won a pay equity settlement in New Zealand, which increased the pay scale in the sector in 2017, leading to a rise between 15 to 50 per cent in hourly wages.

Social dialogue and collective bargaining represent efficient pathways to achieving decent work and serving the interests of both care workers and care recipients. When collective agreements (CAs) are inclusive, for example, covering all home-based care workers, they can become instruments for extending protection to migrant and domestic workers. In Italy, many domestic and care workers are covered by CAs which regulate wage rates, periods of rest, paid holidays, sick pay and severance pay. In Germany, wage increases agreed upon through collective wage agreements are fully included in the

⁵⁰ ILO, 2018.

contracted prices with the LTC insurance since 2015. In the US, home-care workers in Illinois and California won the right to bargain directly with these states, which is considered to be the “employer for the purpose of bargaining”, and have achieved wage increases. In Argentina, wage-bargaining mechanisms exist to set domestic workers’ wages.⁵¹

Professionalising the workforce will make the sector more attractive

Matching skills and jobs

Current gaps in LTC workers skills reduce their ability to provide elderly-centred LTC. Most LTC workers do not have sufficient geriatric care knowledge, understanding of safety procedures, caring needs after hospital discharge, stress management skills and soft skills. They do not have enough skills to use new technologies, and to perform prevention actions. LTC workers’ competencies must adjust to future changes in managing chronic diseases and complex needs such as dementia. Several countries including Germany are changing the curriculum for nurses to prepare them for their new roles.

Communication and soft skills are usually not taught in general training, while LTC workers increasingly need to master these skills. Soft skills are also central, especially when discussing with patients and their family members and to provide end-of-life care, which require advanced training.⁵²

Policies should reconfigure LTC workers’ job titles to match actual roles. There is a great deal of overlap between the tasks provided by personal care workers and nurses. It is frequent to see nurses providing help with personal care in addition to health care. When needed, they often perform tasks that are far from their degree of competency, such as helping with the positioning, lifting and turning of elders. The fact that the role of the most advanced professions is ill defined often leads them to leave LTC, because they have to provide tasks for which they are overqualified.

Providing better initial training and more career progression for personal carers

Qualification levels and training for personal care workers vary greatly across countries. Less than half of OECD countries require that personal care workers hold a minimum education level. There is no international standard to certify personal care workers’ qualification. Certification rules vary between the countries, but also vary within countries, by state, region, LTC provision setting (home-based or residential-based), and employer (public/private).

Improving the training and qualifications of personal care workers will be beneficial for workers and for society. In Korea, the Ministry of Health and Welfare plans to build a career ladder for personal care workers by creating a new profession: Personal Care Worker Manager. The ministry will allow personal care workers to take a position of Director of home care facilities once they have job

⁵¹ ILO, 2018.

⁵² Kaasalainen, S. et al. (2013), “Role of the nurse practitioner in providing palliative care in long-term care homes.”, *International Journal of Palliative Nursing* (available [here](#)). Carlson, E. and M. Bengtsson (2014), “The uniqueness of elderly care: Registered nurses’ experience as preceptors during clinical practice in nursing homes and home-based care”, *Nurse Education Today* (available [here](#)).

experience in LTC field more than five years. More standardisation of competences and certificates as well as intermediate certification of personal carers would be desirable.

On-the-job training is also not sufficiently available to provide career opportunities. Only a few G20 countries provide official certificates to guarantee that personal care workers received sufficient training (Australia, Canada, Korea, the US). The sector suffers from lack of regulation on a compulsory number of hours of on-the-job training. In addition, because of the importance of shift work, difficulties to replace workers during training explain the low take-up. Both workers and employers need more incentives to follow training.

More opportunities for workers in the sector to have a key role in care coordination

Poor coordination across different professionals makes it more likely that older persons with care needs go to and stay in the hospital unnecessarily, but also that they have a high risk of readmission. With care becoming more complex, there will be a demand for different skills and ways of working. Workers in the sector will be required to do more coordination and case management and they would need to be trained for such roles. Older patients with multi-morbidities require care from many different staff across health and social care, and ensuring referrals across primary care, hospitals and specialists. Some G20 countries are also encouraging multidisciplinary teams working in communities to enable the elderly to stay longer at home. Integrated-multidisciplinary teams can contribute to prevent autonomy loss, decrease hospital stay and delays needed for readmission.⁵³ Being able to organise complex care networks will be a priority for the future. Additional specialisation for nurses such as dementia and increased task delegation from doctors to advanced nurse practitioners is likely.

Several G20 countries have improved the recognition of family carers and their dual role as workers and carers, but better support for family carers is still needed. Without such support, family carers are likely to feel overburdened, resulting in increased hospitalisations and emergency visits for their loved ones. One way in which unpaid carers can be relieved is through respite care, which allows them to take a break from their caring duties, reduces the risk of burnout and improves their chances of maintaining good mental health. However, the availability of respite care is low, even in countries with a relatively high provision of long-term care services. Few countries have made access to overnight respite care a right for family carers.⁵⁴

Technology could help to reduce the work burden and improve care

Because of the relational nature of LTC work, technology in the care sector is more likely to supplement and complement workers rather than replace them. In particular, in the future,

⁵³ Johansson, G., K. Eklund and G. Gosman-Hedstrom (2010), *Multidisciplinary Team, Working with Elderly Persons Living in the Community: A Systematic Literature Review*, Scandinavian Journal of Occupational.

⁵⁴ ILO, 2018.

technology can play a key role in increasing the quality of LTC services and improving working conditions in the sector. Currently health associate professionals and personal care workers are about on par with ICT professionals in terms of a high risk of automation (11%) and a significant risk (30%), a probability that is significantly lower than in other professions such as sales or manufacturing.

The greatest potential of technological use in LTC lies in better networking and communication, easier information gathering and processing. Recording of elderly data is a laborious work that is still done by hand in many countries and nurses and personal care workers spend sometimes one-third of their time on administrative reporting. For instance, the current lack of a uniformed electronic record that connects health and social care may be creating inefficiencies. A few G20 countries, such as Germany, have a new legislation on electronic health records. This would lead to reducing the bureaucracy of nursing documentation, electronic billing or communicating with doctors and other health professionals. Developing harmonised governance frameworks, improving data security and interoperability, and developing sound approaches to public engagement and transparency are possible and would be game changers for both research and care.

Beyond communication, new technologies in the areas of assistive technology, remote care, monitoring and self-management hold enormous potential to increase productivity and care quality. In Northern European countries (Norway, the Netherlands), the use of cameras and sensors at night in elderly homes has led to reductions in emergency visits and reduced staff needs. Telecare or remote care assistance can also lead to a reduction in avoidable travel and hospitalisations. Home devices (like intelligent fridges) and medication dispensers can promote self-care and allow better management of elders' basic needs.

New technologies can also improve working conditions. Silent alarm systems replace noisy systems; intelligent systems filter information to identify true urgent needs. The use of telemedicine in nursing home provides a way of reducing the pressure on staff as they improve the communications with other teams (often at hospitals), improve autonomy for care providers, and allow nurses to cover several locations (when providing care at home). Also telemedicine seems to make clients feel safer at home. Remote care can help release the shortages of LTC staff, particularly the case in geographical areas of difficult access or rural areas. However, human contact is also important, especially considering the isolation in which many older people live. So, technology should supplement, not replace direct care.

The use of technology in the sector has been growing recently but remains limited to IT literacy among workers. Several G20 countries, including Japan and Germany, are supporting the introduction and development of technology with government grants. Technology will be accepted if it can be safely used in nursing everyday life. Technologies need to address the needs that are important to care users, whether it is formal caregivers or families. In Germany, the PPZ (nursing Practice Centre) tests the application of technology and the transfer of technical support in nursing practice. Caregivers have to be well prepared for the proper handling of new technologies - a topic that is currently neglected in education, training and further education. There is thus a need to

develop and stabilize qualification offers in education and training for the anchoring of technical competences in nursing.

Financing barriers and lack of knowledge about appropriate solutions further limit the implementation of technology in the sector. Care technologies need to be subject to robust independent evaluation, while this is seldom available. Evaluation should be built into the development process. New technologies are not always properly reimbursed and more clarity is necessary for the criteria used for such reimbursement decisions.

Postponing LTC needs by promoting healthy ageing and rehabilitation

Awareness raising programmes and services can help older people to continue living healthy and fulfilling lives, remaining active and valuable members of the society. Several G20 countries are promoting “healthy ageing” campaigns, with a view to reduce the number of years of disability. Re-enablement policies usually target frail elderly people who live in the community. Japan implemented a LTC prevention project, which aim to strengthen social connections of older people in their communities, irrespective of their age and condition (mental or physical). The Japanese government supports proactive efforts to organise exercise classes and other local gathering. The objective is to develop a local community in which older people can live worthwhile lives and play certain roles even if they face serious LTC needs. Australia introduced the Commonwealth and Home Support Programme (CHSP) to help frail elderly people living in the community maximising their independence through the delivery of timely, high quality entry-level support services taking into account each person’s goal. The CHSP support is underpinned by a wellness approach, which is about building on older people’s strengths, capacity and goals to help them remain independent and to live safely at home. In France, the Caisse nationale d’assurance vieillesse (CNAV) is promoting healthy aging workshops in several regions targeting specifically retired people at risk of becoming frail.

Several countries are focusing on the prevention of disabilities and autonomy loss for the elderly through healthy ageing programmes. France has a number of successful initiatives involving the detection of people at risk through primary care, and the prescription of targeted workshops. Tailored workshops can be effective at reducing fall prevention, stimulating memory, or preventing mobility problems. Japan is developing an integrated community care system that emphasises preventive care and activities to promote longer healthy life expectancy.

Care workers will be increasingly called to perform rehabilitation activities in coordination with occupational therapists. There is increasing evidence of the cost-effectiveness of “reablement”, a form of home-based rehabilitation, which focuses on improving independent functioning in daily activities, with a view to enable the individual to postpone and reduce the need for further care. The Fredericia municipality in Denmark, for example, reduced costs by 13 per cent through the use of rehabilitation and reablement services. Another reablement programme, in the United Kingdom, was

found to be a cost-effective way to reduce subsequent LTC use, while having a positive impact on both users and carers' independence and confidence.⁵⁵

8. Conclusion

Rapidly ageing societies are driving an increase in the demand for long-term care work. LTC can be an important source of job generation in the future, however, the extent to which these developments will translate into decent long-term care jobs depends on the priorities assigned and policy choices made by governments, and particularly on whether gender equality will be a defining objective.

Expanding health care and LTC services has the potential to offer multiple benefits and create a virtuous circle in which unpaid care work is reduced, lowering the obstacles to increasing women's labour force participation, and much needed care jobs would be generated. This, in turn, would support economic growth, minimize the intergenerational transfer of poverty and increase social inclusion.

Gaps in coverage in both health-care and long-term care services indicate that there is a need for significant investment in these sectors. Expanding decent work in the care economy will require a comprehensive policy package to expand the number of care jobs, improve recruitment efforts in the LTC sector, increase the attractiveness of the sector as a source of decent employment and improve the quality of LTC services. This requires reshaping macroeconomic policies, social protection, as well as labour and migration policies.

- Creating the fiscal space to invest in quality care policies, services and infrastructure will be essential to addressing the major gaps in coverage and decent work deficits in LTC.
- Ensuring that all people with care needs can access LTC services without facing a risk of poverty or unmet needs. This will require financing mechanisms that ensure financial protection and effective access to services while maintaining the equity and financial sustainability of the LTC system. Universal health coverage and social protection systems for all, including floors, in line with SDG targets 3.8 and 1.3 can positively contribute to achieving this objective.
- Improving the status and working conditions of care workers, promoting LTC workers' representation, social dialogue and collective agreements, as well as providing stable and formal jobs with adequate labour and social protection, including adequate wages with suitable hours, as well as a reduction of mental and physical risks. This is key to reducing the current high turnover costs.

⁵⁵ Glendinning, C. et al. (2010), "Home Care Re-ablement Services: Investigating the longer-term impacts (prospective longitudinal study)", No. DHR 2438, The University of York, York (available [here](#)).

- Professionalising the sector by providing better initial training, a better match of skills to the tasks that are performed and opportunities for career advancement will draw more people into the sector and break occupational segregation.
- Making good use of appropriate technology to enhance the quality of care and allow workers to make a better use of their care time, while improving their occupational safety and health.
- Increased coordination between professionals and greater promotion of self-care and healthy ageing will also lead to greater efficiency and better social outcomes.