



EUROCARERS' POLICY PAPER ON INFORMAL CARE AS A BARRIER TO EMPLOYMENT

BACKGROUND

Population ageing and advances in medical sciences mean that more people are living longer with multiple conditions and complex health needs. This growing demand for long-term care puts pressure on informal carers who – through their activity – increasingly serve to offset ever tighter public care budgets and services. Moreover, the EU objectives in the field of (female) employment as well as the push towards longer working lives and other socio-economic developments (smaller families, growing physical distances between relatives, shortages of care professionals) exacerbate the problem by forcing an increasing number of people to combine work and care responsibilities.

In nearly all EU countries, more than 50% of carers under 65 combine care with employment. About 7% of male workers and 11% of female workers are providing regular care (every day or several days a week), especially older workers (10% of men aged 50-64 and 14% of women)¹.

As highlighted by the Social Protection Committee² and in the Joint Employment Report 2017³, in several Member States the underdevelopment of formal LTC provision remains a major impediment to female employment and growth, and limits carers' protection against dependency in old age. Women indeed tend to assume more long-term care responsibilities and are thus far more likely to reduce their working hours in the formal economy. In addition, they face strong financial disincentives when entering the labour market or wanting to work more. They are thus more likely to reduce working hours or exit employment altogether. More than 25% of the inactive female population (20-64) in 2015 was inactive because of family responsibilities (including care for children and incapacitated adults) in Hungary, Ireland, Slovakia, Estonia, Czech Republic and the United Kingdom. Moreover, in some tax-benefit

¹ Eurofound

² [Adequate social protection for long-term care needs in an ageing society](#), SPC/EC, 2014

³ [Joint Employment Report 2017](#)

systems, cash transfers and tax-related support weaken financial incentives to work for second earners, thus hampering female labour market participation.

Against this backdrop, the debate about work-life reconciliation measures and access to care services is gaining ground. The focus of these reconciliation measures, originally limited to childcare responsibilities, now tends to encompass long-term care responsibilities as well.

The challenges

Caring for an elderly or disabled person is different than caring for a child. It indeed consists in an indefinite commitment, usually characterised by a growing burden and less ready access to support/respite services than is normally the case in the childcare sector. Many working carers have to perform a difficult balancing act – even more so in the case of “sandwich” carers (i.e. people having to care for both children and older relatives). Working carers can face practical challenges such as finding and securing support for their “caree” and themselves or having to interrupt working days to cope with care needs. They can also experience mental problems given the added stress of juggling caregiving with professional duties: they can feel guilty for “abandoning” their caree, isolated and anxious due to the perception that they may be viewed differently, less ambitious and motivated perhaps than other employees.

As a result, when not adequately supported, carers may be compelled to reduce their working hours (involuntary part-timers) or eventually give up paid employment, thereby reducing their income and pension entitlements.

The gender dimension of this phenomenon is particularly significant since it is mostly women who give up paid jobs or reduce working hours in order to fulfil caregiving responsibilities. This is due to the deeply engrained cultural perception of caring roles in our societies, but also to the fact that care duty is often taken on by family members with the least opportunity costs (and, across the EU, women still form the vast majority of second income earners). Consequently, long term care responsibilities tend to aggravate the gender pay and pension gaps – already present because of childcare responsibilities.

Between 7% and 21% of informal carers reduce their working hours and between 3% and 18% withdraw from the labour market. Source: Report from the European Commission quoted in ETUC (2015)

Among those with caring responsibilities, 90% of men work full-time, whereas only 50% of women are able to work full-time. Source: Eurofound

Caring also affects the type of work which carers are able to undertake. Many find local, flexible, often low-skilled and low-paid jobs which can be adapted to their caregiving schedule, with side effects on carers’ earnings. The negative impact of caring also extends beyond employment to affect carers’ health and social inclusion. Having to combine caregiving

responsibilities – an already demanding task - with work can cause stress, fatigue, emotional exhaustion and depression. This jeopardises the quality of life of carers with side effects on the quality of care they provide and their performance at work.

For those carers who find themselves exiting the labour market altogether to fulfil a caring role, re-entry can prove difficult, particularly when the care period was long. The financial, physical and emotional pressure as well as social isolation can then be even more significant. This probably explains why the vast majority of carers wish to maintain a professional life, not only to ensure a source of income, but also to preserve vital social networks, a sense of purpose and social inclusion.

According to results from the 3rd European Quality of Life Survey, 14% of non-working carers say they are depressed all or most of the time, more than twice as high as the corresponding figure for working carers. It seems to indicate that the worst situation for a carer is not in fact being forced to combine work and care, but not being able to work. Source: Eurofound

The impact on business and on the wider economy

When carers struggle to manage work and caring responsibilities, negative consequences occur not just for them, but also for their employers and the economy as a whole.

First, when skilled workers are operating at a lower skill level in order to obtain the flexibility or place of employment that enables them to care, this translates into a loss of human potential (and hence of productivity) in the workplace.

Besides, when carers are forced to leave the labour market because they do not find the support they require, employers incur substantial costs in terms of recruitment, training and lost productivity. The peak age for caregiving is 50-64, which often is the most skilled and experienced age group in a company. Employee turnover also affects the quality of customer service and retention, and so the overall economic output.

The rate of absenteeism as well as “presenteeism” (i.e. attending work while being sick) as a result of clashing work-care responsibilities are other significant consequences and burdens for the industry.

In addition to the costs for businesses, the lack of adequate support measures for working carers also entails costs also for the economy as a whole. Indeed, individuals who are unable to combine work and care will therefore pay less taxes, will not be able to contribute to pension funds and will in fact even cause additional expenditure in the form of welfare benefits and healthcare costs.

Analysis from Age UK, building on work from the London School of Economics, reveals that an estimated £5.3 billion has been wiped from the economy in lost earnings due to people who have dropped out of the workforce to take on caring responsibilities for older or disabled loved ones. (Source: Employers for Carers)

In the light of these elements, the need to support carers in and into work is not just a social imperative, but also an economic one.

KEY MESSAGES

EU level

Striking work-life balance for people with caregiving responsibilities for dependent relatives largely depends on the interplay between a broader set of social and employment policies. Policies that aim to assist working carers should include appropriate long-term care services to support dependent people and their families, income support and other “flexicurity” measures for carers, rights and regulations in the employment field as well as practical measures that can be implemented by employers at company level.

Furthermore, in order to create a carer-friendly professional ecosystem, all stakeholders (workers, employers, social partners and public authorities) must be involved in shaping and implementing legislative and practical measures.

Even though there is a clear correlation between female labour force participation rates, notably at ages 55-64, and the extent of access to LTC provision, there is nothing in this field similar to the EU’s Barcelona objectives/targets for child-care⁴. Nor is there any monitoring at EU level of progress in coverage, access and affordability, as there is for the Barcelona targets. Some of the agreed indicators for labour market participation and for work-life balance which have been developed within the Joint Assessment Framework⁵ to cover the impact of child-care may also be useful in relation to LTC care duties.

Public policies at national/regional level

The precondition for a good work-life balance is the availability of high quality, affordable and accessible formal long-term care services. There is indeed a clear correlation between labour force participation rates and the extent of access to LTC services. When these services are provided, the intensity of informal care provision is visibly reduced and reconciliation issues are not so pressing. Investment in services should therefore be regarded as a priority.

⁴ Ensuring suitable childcare provision is an essential step towards equal opportunities in employment between women and men. In 2002, at the Barcelona Summit, the European Council set the targets of providing childcare by 2010 to at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age.

⁵ The JAF is a database of key labour market and social indicators used to monitor labour market and social developments in the Member States and progress towards headline targets. It is an analytical tool based on a set of commonly agreed indicators in 11 policy domains.

Other measures that can support working carers are those aimed to reduce – if not compensate - the negative impact of caregiving responsibilities on income. They can include the provision of a direct carer allowance or cash benefits to the care user, taxation and fiscal incentives. Considering the time spent caring in the calculation of pension credit should also be envisaged in order to prevent old-age poverty and the (gender) pension gap that most carers experience.

Measures to facilitate return to the labour market are also important and, incidentally, the validation and certification of the skills gained while caring can potentially lead to carers going back to the labour market. Finally, respite care, counselling, training and psychological support all form part of the additional measures necessary to help carers combine work and care.

The availability of a Carer's leave and flexible working arrangements are two particularly effective elements that help carers combine paid work and caregiving responsibilities. The Carer leave indeed allows carers to maintain their attachment to the labour market and prevent them from dropping out altogether when faced with a particularly intensive period of care. Factors that enhance or inhibit its take-up (e.g. is the leave paid or not, how high is the financial compensation, duration) must nevertheless be taken into consideration when designing the leave, as well as factors that make it more attractive for men and higher income groups, hence contributing to gender equality (e.g. is payment income related or flat rate). Provisions for leave at short notice (emergency leaves) should also be available.

Flexible working arrangements allow carers to adapt their working hours or place to their needs.

Unlike for childcare, there is currently no universal entitlement to carer's leave at EU level and the existing provisions among member states vary significantly in terms of eligibility, length and compensation or replacement rates. Similarly, entitlements to flexible working arrangements are also missing from the EU policy arsenal. As a result, a great diversity of legal provisions exists across member states and regions.

Initiatives at workplace level

Some companies have proactively introduced practical measures to identify and support their employees with caregiving responsibilities. These can consist in flexible working time and leave arrangements, measures to minimise financial disincentives of time off (such as payment during emergency leave or 'topping up' of social benefit payments). In a smaller number of workplaces examples have been found of employers providing support to organise care tasks by providing access to information or counselling on care issues and measures to help employees identify, access to pay for care or other services. New technologies have a significant role in enabling carers to combine work and care, both as they can support them

to work more flexibly, and because they can ensure the delivery of flexible services (telecare, tele health and assistive ICT solutions) that can enable carers to work. The well-being of working carers has also been addressed through measures to monitor their health, to promote positive attitudes among fellow workers and more generally to raise awareness of the issues around reconciling care and employment.

When reconciliation measures exist, it is essential to provide encouragement and support for carers to take advantage of the initiatives – many carers are reluctant to call attention to themselves, or consider their caring responsibilities as a private matter, or fear to be stigmatised by being labelled as “carers”. In this regard, given the awareness and knowledge gaps regarding the pressure caused by elder/long-term care duties (as opposed to childcare), efforts have to be made in order to raise awareness of the working carer issue among managers and the workforce.