

Labor Market Conditions of Health and Elderly Care Workers in the People's Republic of China

Veronica Mendizabal Joffre

Senior Gender and Social Development Specialist, Asian Development Bank

Xiao-Yuan Dong

Professor, Economics Department, University of Winnipeg

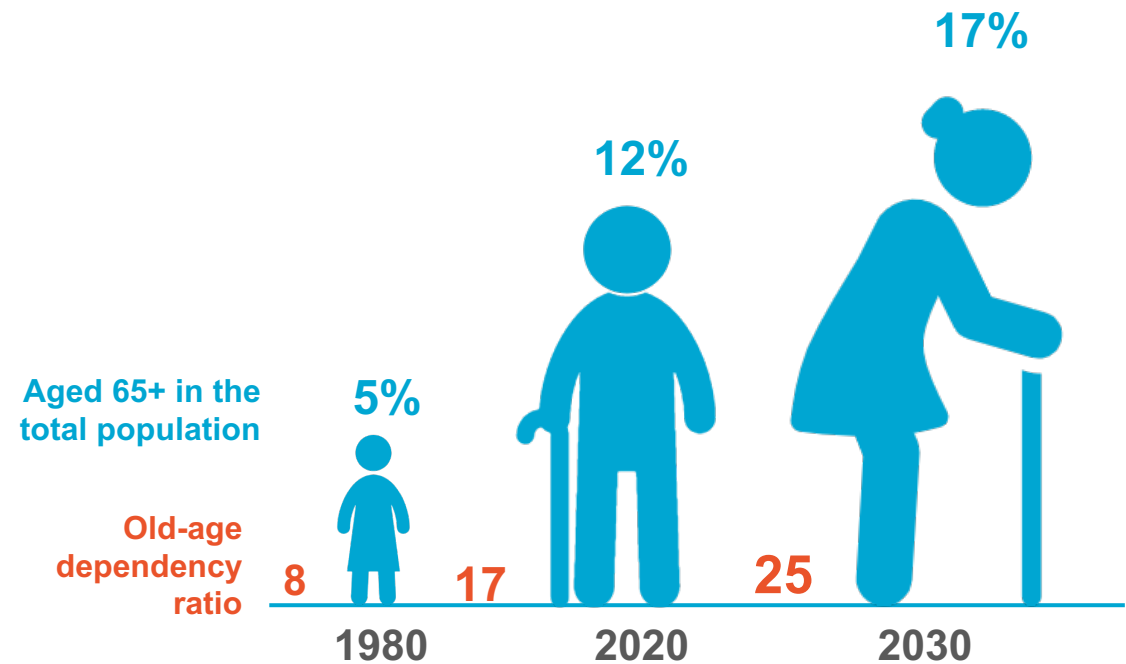
Yueping Song

Professor, Institute of Population and Development, Renmin University of China

ASSA 2023 - IAFPE Session

Population Aging in the People's Republic of China

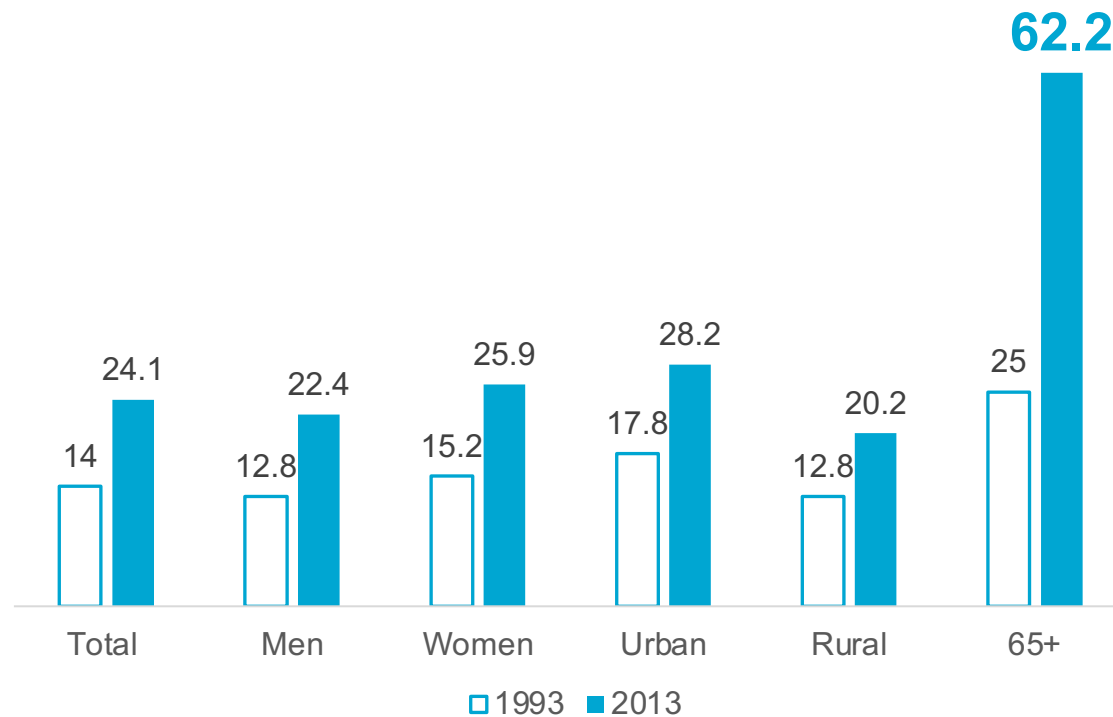
- PRC's population 65+ is large and growing fast.
- Chronic disease burden has grown rapidly.
- At the same time, family size is shrinking, and traditional family care function has been gradually eroded.
- The demand for health and eldercare has increased substantially.



Sources: 1980-2010 from World Bank and 2020-2030 from UNDESA

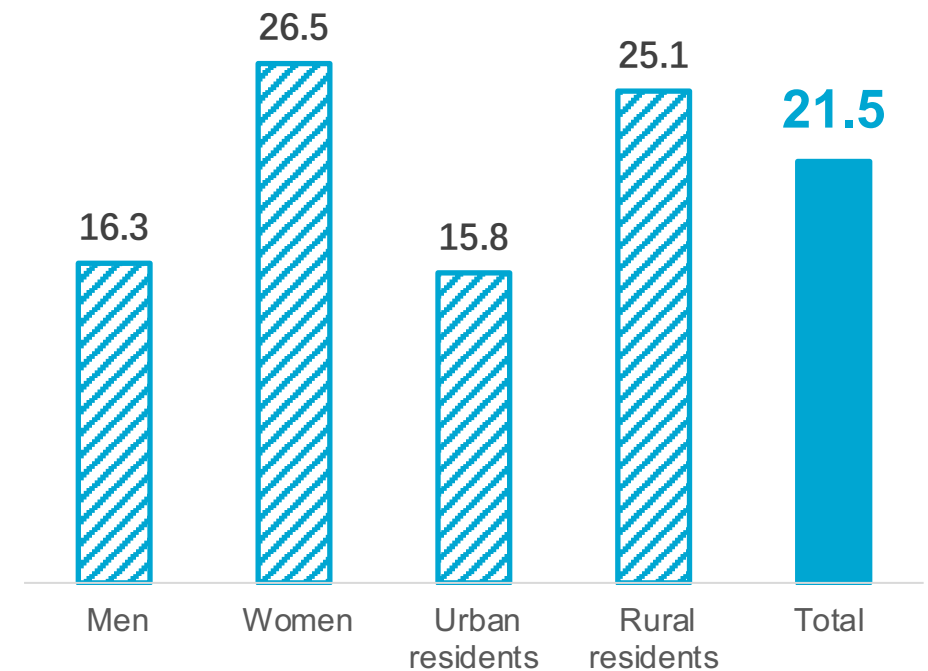
Growing Chronic Disease Burden and Rising Demand for Health and Elderly Care Services

Two-week illness rates (%), 1993-2013



Source: China National Health Service Survey, 1993 and 2013

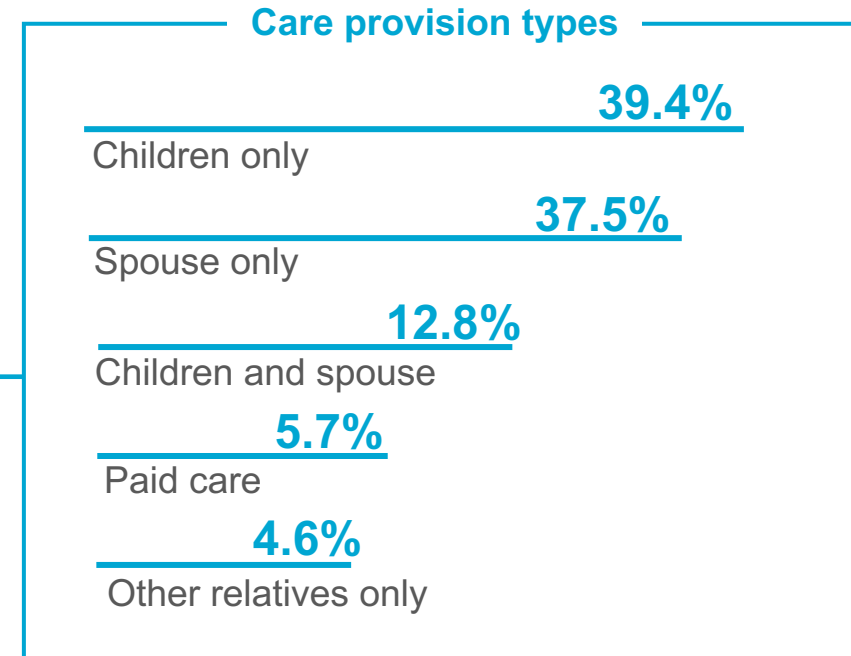
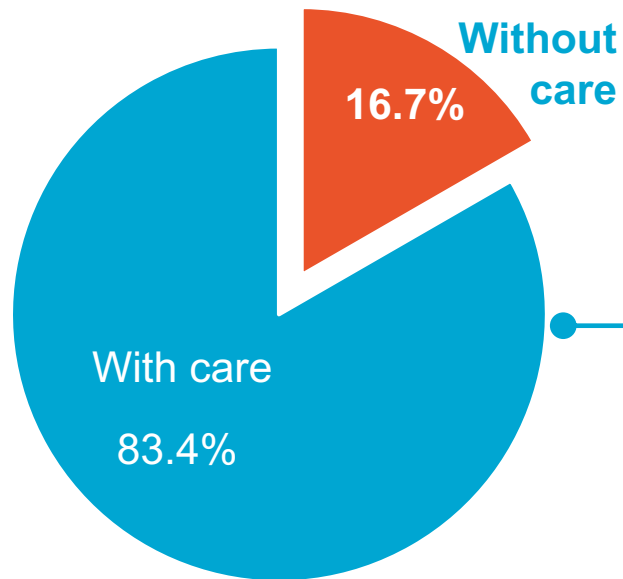
Residents aged 60+ with care needs (%), 2015



Source: CHARLS 2015

Population Aging, Growing Chronic Disease Burden and Rising Demand for Health and Elderly Care Services

Care deficits for residents aged 60+ with care needs



Source: CHARLS 2015

Objective

To examine the employment, wages, and working conditions of health and elderly care workers

Employment trends in the health and social work industry

Data from published statistics and China Population Census

Labor market conditions for medical staff and elderly care workers

2013 Medical Staff Survey and 2016 Beijing Elderly Care Institutions Census.



- Understudied subject, in comparison with unpaid care work.
- Limited knowledge on care workers employed in the “public” domain, such as hospitals and eldercare institutions.

Care Provision Challenges

The unregulated market for care services is vulnerable to the outcome of low wages for care workers and low-quality services for care users.



High-quality care services are costly: labor intensive, involving interactions between service users and providers.



Difficulty in securing finances: access to care services is typically paid by others

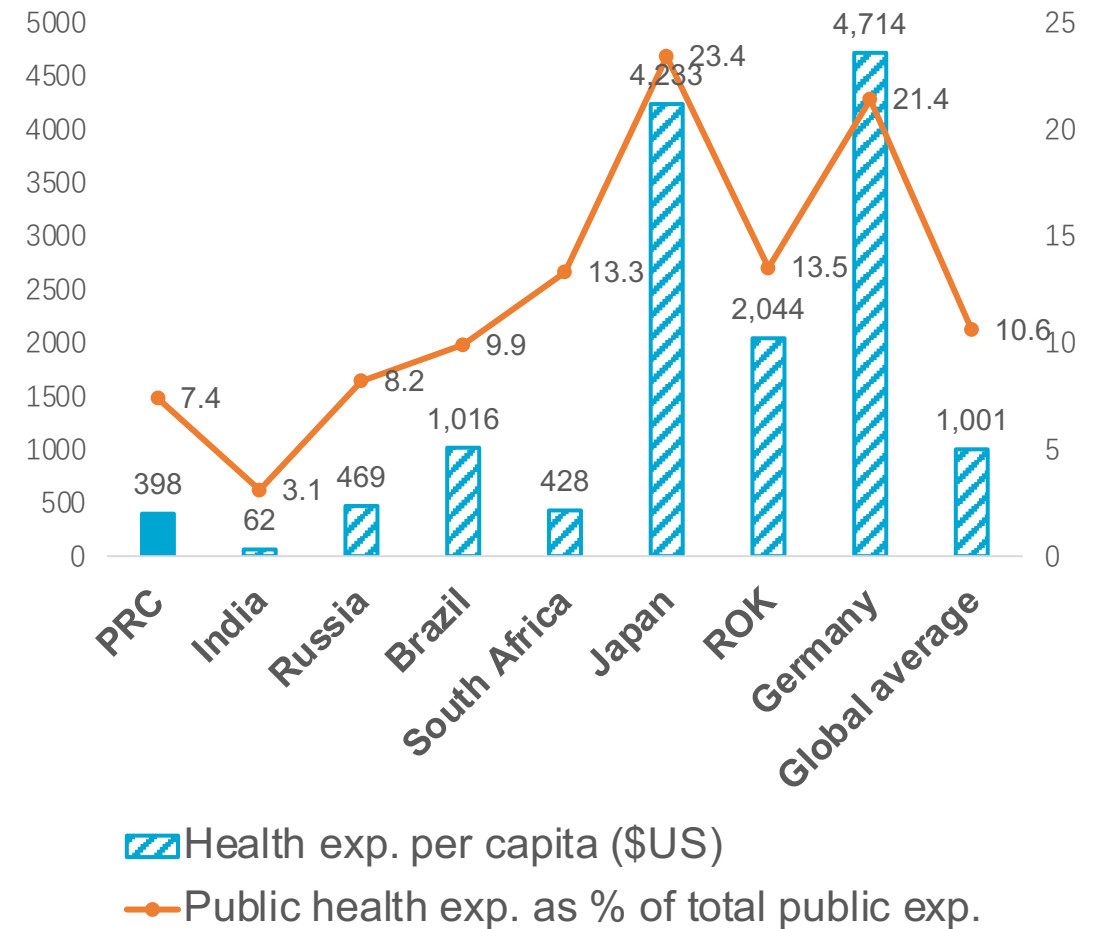
Paid care workers tend to suffer labor market disadvantages

- poorly paid
- overworked
- low social status

Poor labor market conditions for care workers lead to low quality care services and a shortage of care workers.

Considerable progress, obstacles remain

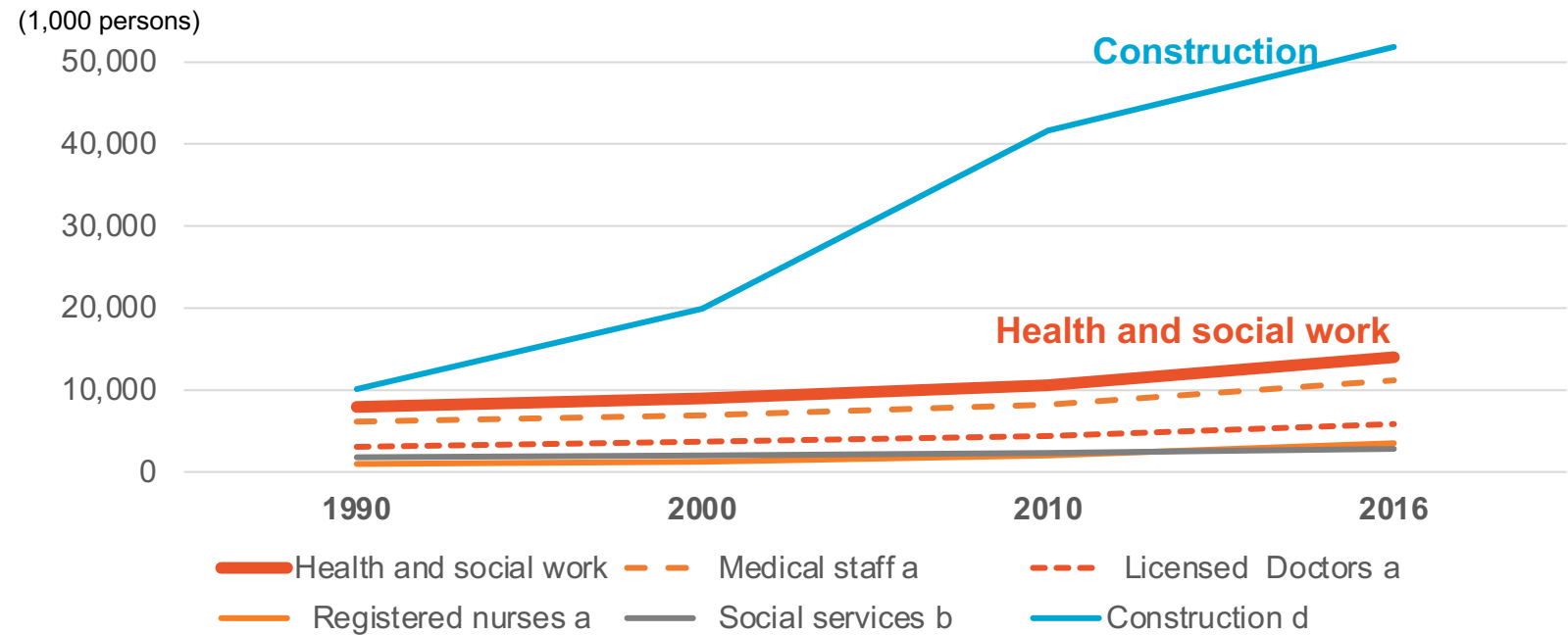
- The PRC's government expenditure on health care increased sharply, from ¥ 80 billion in 2001 to ¥ 1.64 trillion in 2018.
- The coverage of health and pension insurance has expanded at an unprecedented speed.
- The proportion of private out-of-pocket payments for health care fell from 60% in 2001 to 28.6% in 2018.
- Comparatively, the level of public expenditure on health care in the PRC is still low.



Employment Growth of the Health and Social Work Industry

The employment of the health and social work industry has grown at a much lower rate than that of the construction industry

Trends in employment of selected industries in the PRC, 1990 – 2016



Sources: a from China Health Statistical Yearbook 2017 (Table 2-1-1); b from China Civil Affairs Statistical Yearbook 2001 (Table B-5) and 2017 (Table A-1-7); c from China Education Statistical Yearbook 1991, 2001, 2011 and 2017; and d from China Statistical Yearbook, 1991, 2001, 2011 and 2017.

Employment Growth of the Health and Social Work Industry

Within the service sector, the employment growth of the health and social work industry is also more sluggish, compared with more market-oriented service industries.

Changes in employment distribution by industry in the PRC (%), 1990 – 2015

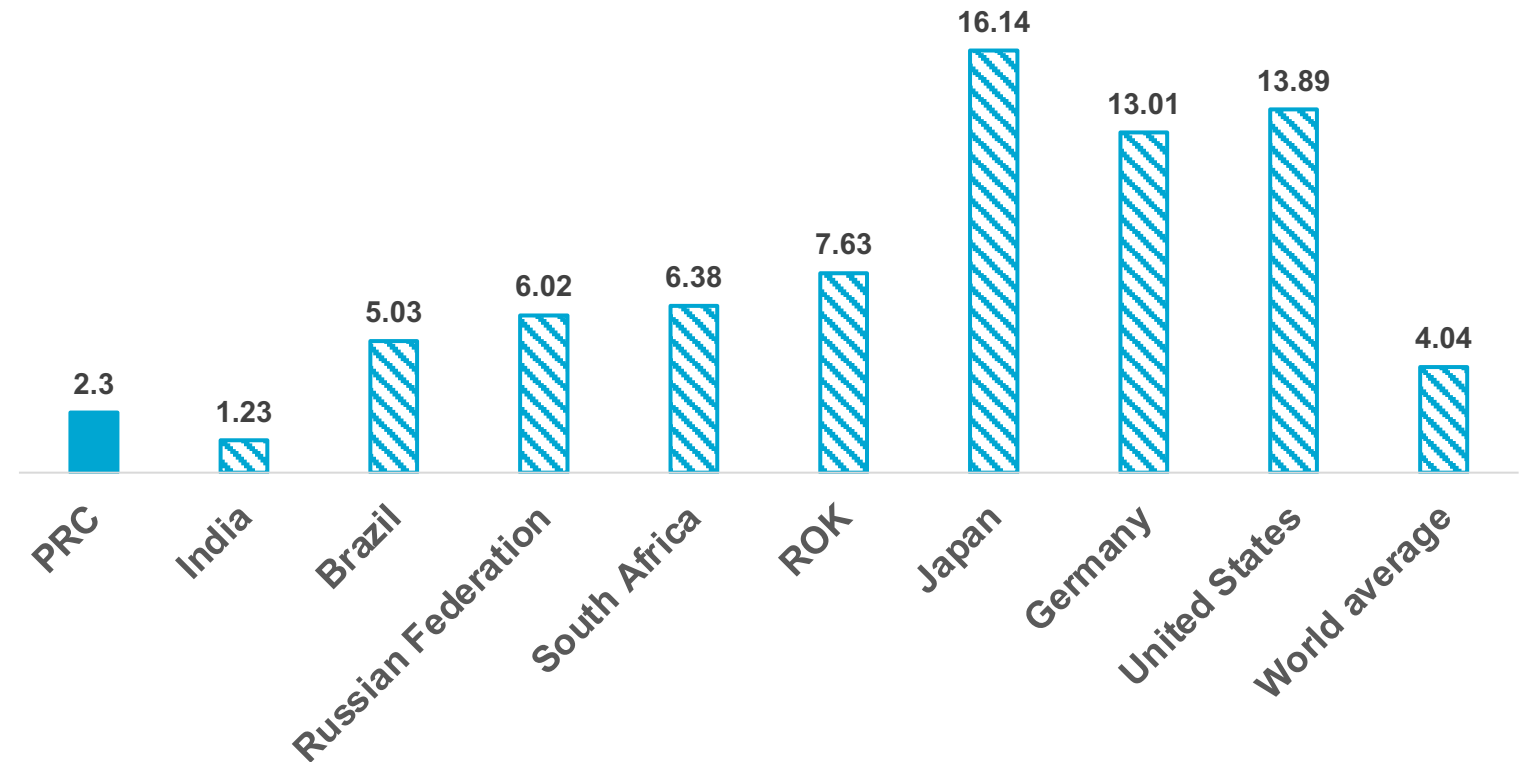
	1990	2000	2010	2015
Health and social work	0.8	1.0	1.1	1.6
Education	2.1	2.3	2.3	2.9
Hotels & catering	0.7	1.6	2.7	3.8
ITC, R&D, finance & real estate	0.7	1.1	2.4	3.8
Other service industries	10.4	15.0	21.3	26.7
Manufacturing	12.0	12.5	16.9	18.1
Construction	1.8	2.7	5.5	7.5
Mining & utility	1.5	1.8	1.8	1.8
Agriculture, fishery, forestry & animal husbandry	70.1	62.3	46.0	36.7
Total	100.0	100.0	100.0	100.0

Source: China Population Census

Health indicators of selected countries

The size of the PRC's health and eldercare workforce is relatively small by international standards.

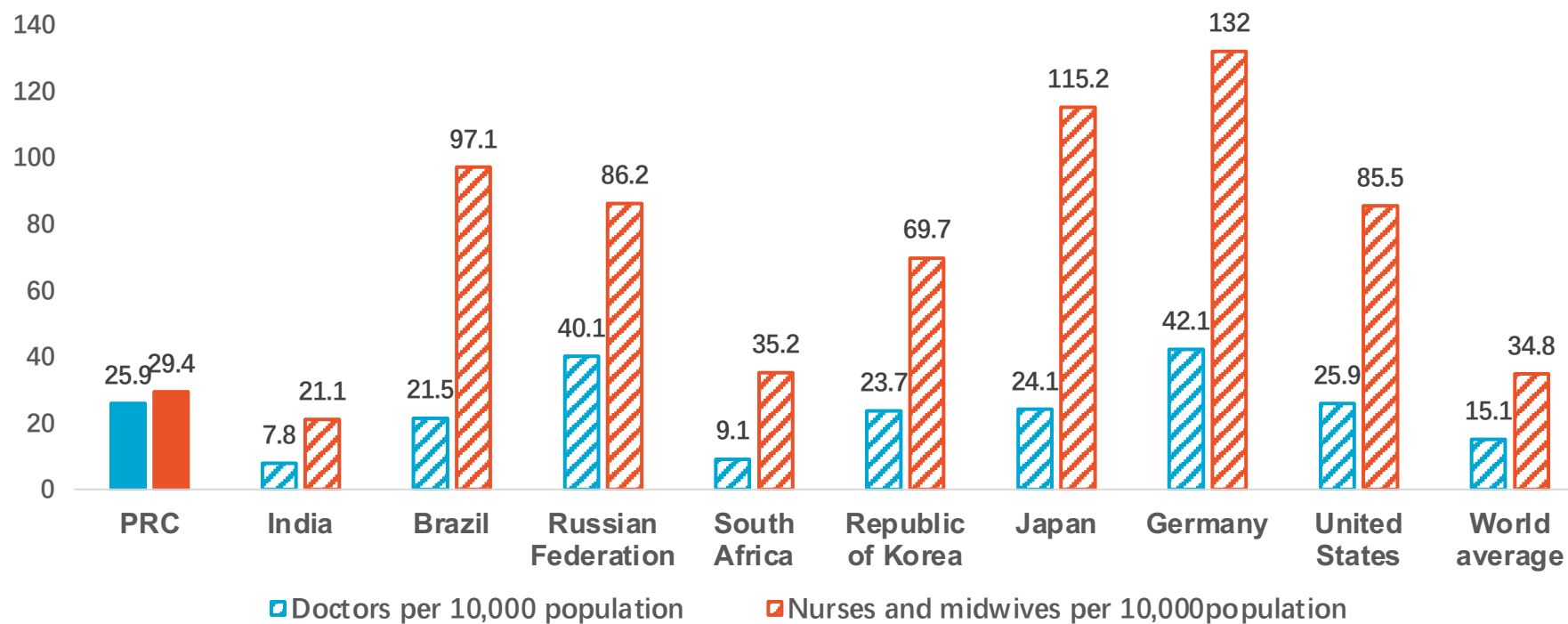
Employment share of the health and social work industry (%)



Source: ILO. "Employment distribution by economic activity — ILO modelled estimates." ILOSTAT. Accessed 14-05-2020. <https://ilostat.ilo.org/data>.

Health indicators of selected countries

The density of medical staff, particularly nurses, in the PRC is relatively low.



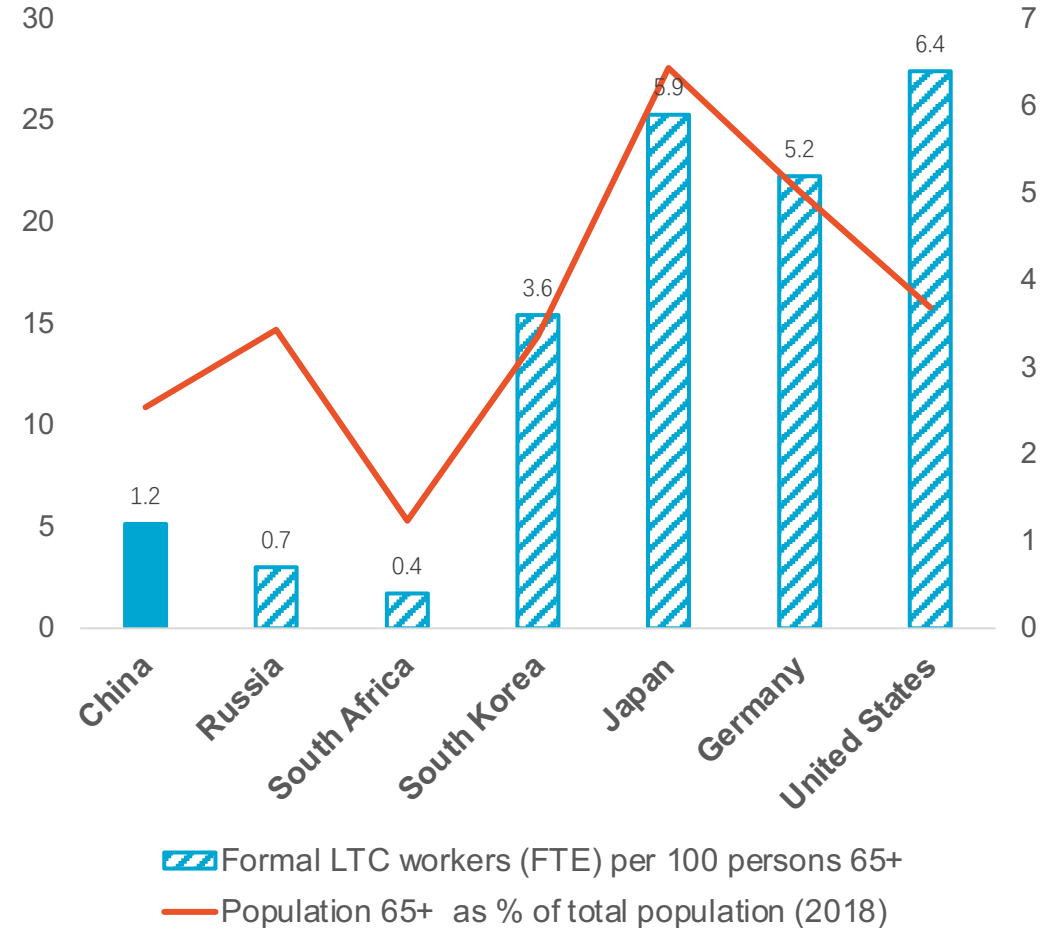
Source: China Statistical Yearbook 2019 (Tables 22-23), World Bank Open Data, and World Health Organization Statistics 2019

Long-Term Care Workers in Selected Countries

In 2016, there were only 1.2 long-term care (LTC) workers per 100 persons aged 65+ in the PRC.

The median number of OECD countries is 4.2 per 100 persons aged 65+ (Scheil-Adlung 2015).

Using this value as the benchmark, the LTC workforce in the PRC needs to increase from 1.741 million in 2016 to 10.332 million in 2030 to provide universal coverage for persons aged 65+ with care needs.



Data for Germany, Japan, the Republic of Korea, and the United States are from OECD; data for the People's Republic of China are from China Civil Affairs Statistical Yearbook 2017, and data for the Russian Federation and South Africa are from Scheil-Adlung (2015)

Labor Market Conditions for Doctors and Nurses

2013 China Medical Staff Survey



Sample: 15,768 medical staff members randomly selected from 156 counties and cities in 31 Provinces and Autonomous Regions in the PRC.



Women account for 62.6% of all medical staff members in the sample. While men make up of 57.2% of the licensed doctors, almost all registered nurses (98.7%) are women.



The medical staff of both sexes worked long hours, 54.1 hours per week for men and 48.1 hours per week for women.



Men on average took 5.5-night shifts per month and women took 4.4-night shifts per month.

Labor Market Conditions for Doctors and Nurses

Findings

79%

satisfied with
their work

58%

dissatisfied
with their
compensation

83%

considered that
their job was
very stressful

30%

expressed the
intention to leave
the occupation

16%

likely to find a
new job next
year

Doctor-patients relationship

Nearly half of the medical staff considered the doctor-patients relationship as “**bad**” and “**very bad**” and the situation getting worse over time

Abuse and violence

21% encountered verbal abuse
in the last 6 months

0.7% suffered physical assault

3.9% suffered both types of
violence

Labor Market Conditions for Doctors and Nurses

Findings

Job satisfaction, stress, and turnover intention of the medical staff in the PRC

	Strongly disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Strongly agree
I am very satisfied with the work I am doing.	3.9	5.5	11.3	17.7	35.5	26.1
I am very satisfied with the compensation I got from the hospital.	20.2	15.3	22.4	18.6	17.4	6.2
I feel a lot of stress at work.	2.4	4.5	9.9	22.4	28.3	32.6
I cannot fall asleep because of work.	11.8	13.8	19.6	23.4	16.7	14.8
I often want to leave this hospital.	30.1	19.3	20.8	16.3	6.5	7
I often want to leave the occupation I am in.	28.4	16.9	16.8	18	8.8	11.1
I often want to change my job.	30.7	17.4	17.4	17.1	8.3	9.2
I am likely to find a new job next year.	47.4	18.5	18.3	9.5	3	3.4

Source : China medical staff survey 2013

Labor Market Conditions for Doctors and Nurses

Findings

Assessment of doctor-patient relationship by medical staff of the PRC

Assess the level of patient's respect for you	Very respectful 8.5	Respectful 40.6	So-so 41.1	Disrespectful 6.8	Very disrespectful 2.9
Assess the level of patient's trust in your services	Very trustful 6.9	Trustful 41	So-so 42.4	Distrustful 7.2	Very distrustful 2.6
What do you think of the current doctor-patient relationship?	Very good 3.6	Good 15.4	So-so 37.3	Bad 27.5	Ver bad 16.2
Compared to 5 years ago, you feel the level of respect society has with medical staff has	Significantly increased 3.4	Slightly Increased 20.5	No change 31.4	Slightly decreased 27.6	Significantly Decreased 17.2
Compared to 5 years ago, you feel the social status of medical staff has	2.3	16	33.6	29.3	18.8
Compared to 5 years ago, you feel the doctor-patient relationship has	Significantly improved 3.9	Slightly Improved 21.7	No change 24.7	Slightly deteriorated 31.7	Significantly deteriorated 18

Source : China medical staff survey 2013

Labor Market Conditions for Long Term Care Workers

Beijing Elderly Care Institutions Census 2016



Conducted by Beijing Normal University on behalf of the Beijing Civil Affair Bureau



Census covered 460 elderly care institutions, 237 publicly owned and privately operated, 214 privately owned, and 9 owned by rural township governments.



LTC workers are a low paid, overworked, and low status occupation.



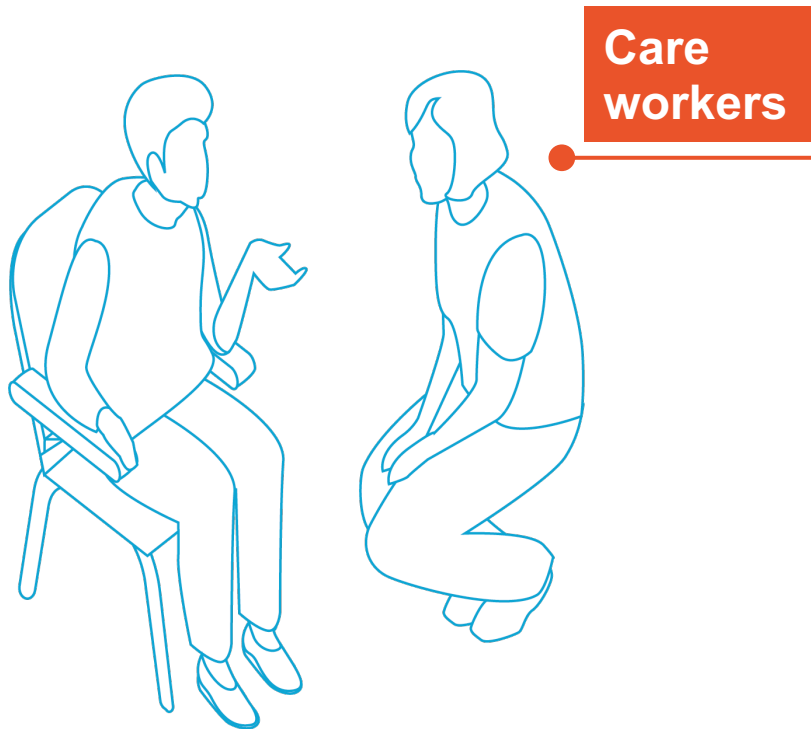
Many eldercare institutions appears in a vicious circle of low wages, low- quality services, and low effective demand.



Each elderly care institution on average had 30.3 employees, with 4.5 administrative personnel, 1.5 doctors, 2 nurses, and 17.4 care workers.

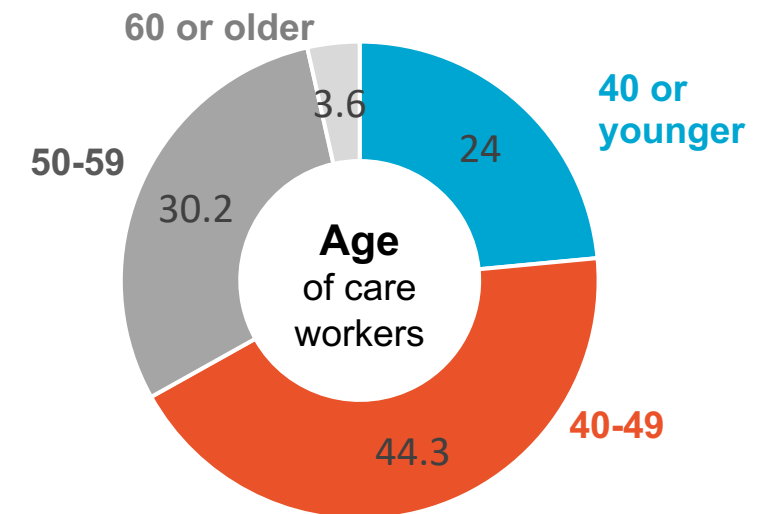
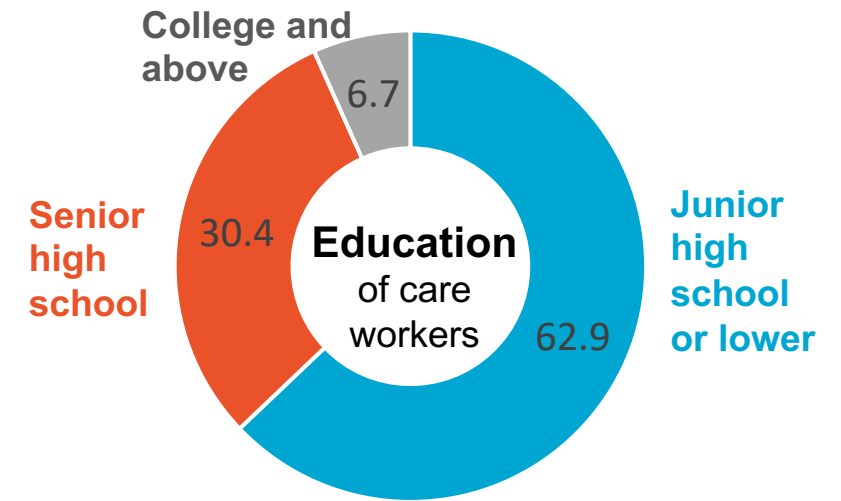
Labor Market Conditions for Long Term Care Workers

Findings



Predominantly **older migrant women** with a junior high school education or lower

- 75.4% women
- 67.5% rural migrants

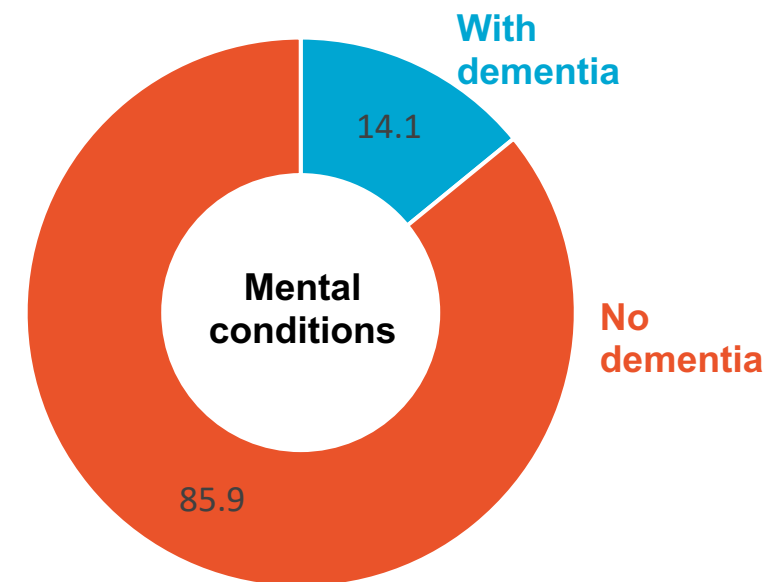
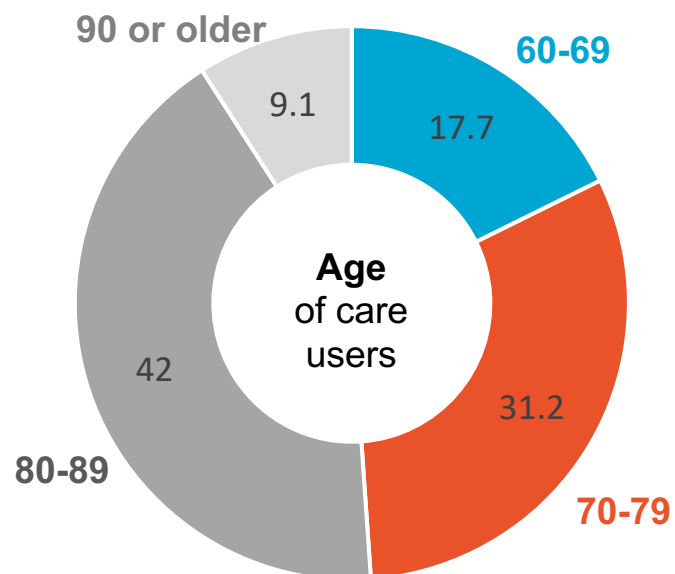
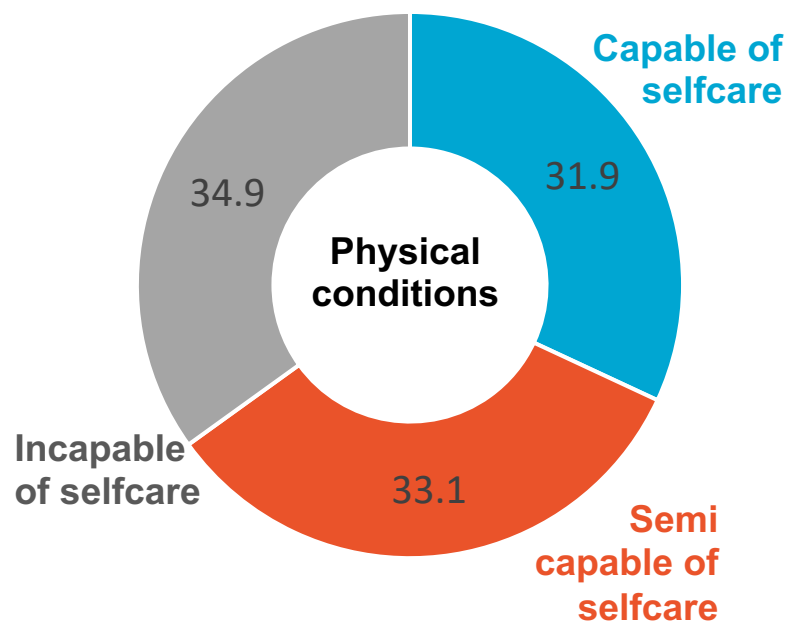


Source: Beijing Eldercare Institutions Census, 2016

Labor Market Conditions for Long Term Care Workers

Findings

Each worker on average looked after 5.2 live-in residents

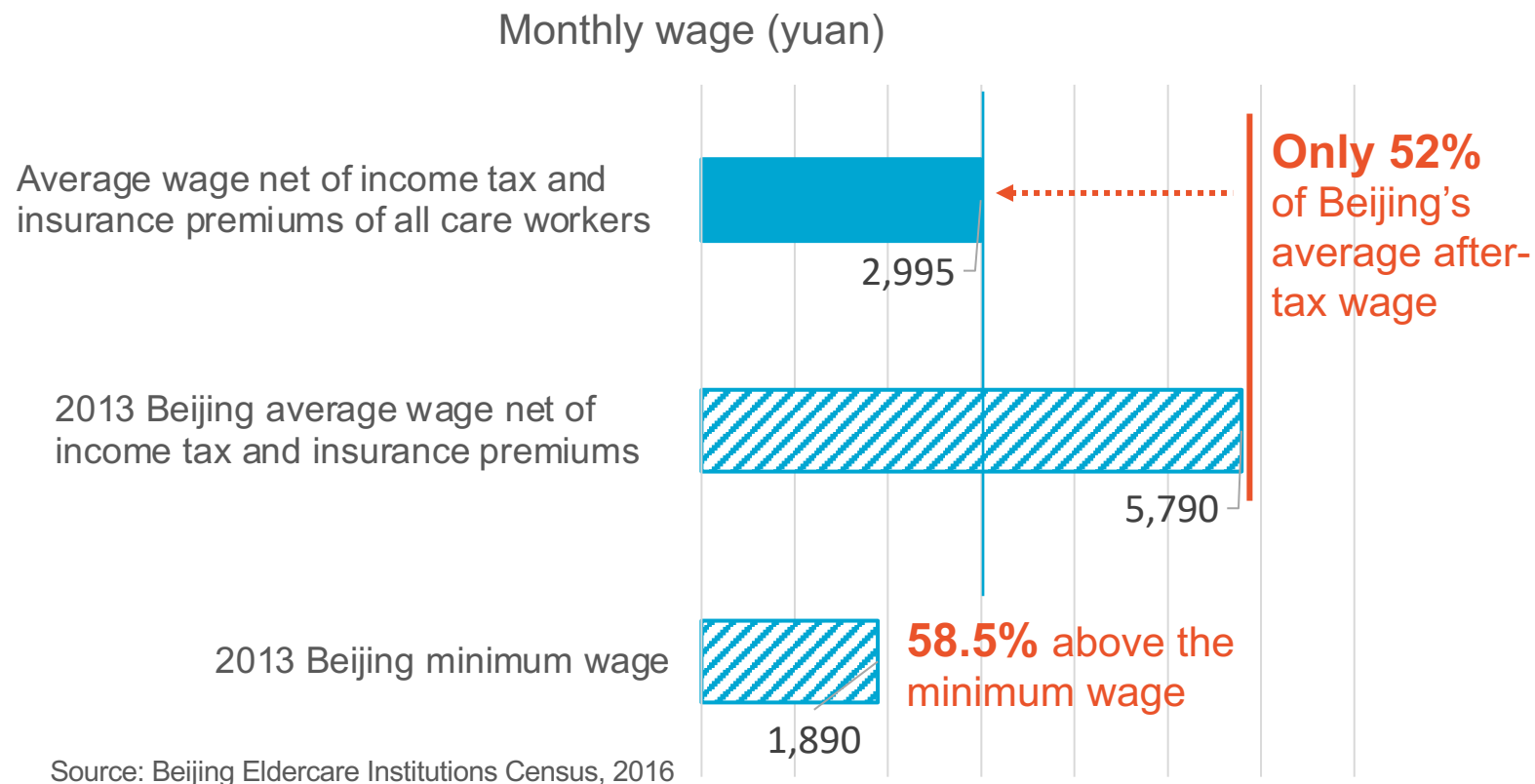


Source: Beijing Eldercare Institutions Census, 2016

Labor Market Conditions for Long Term Care Workers

Findings

The average wage of the care workers was low

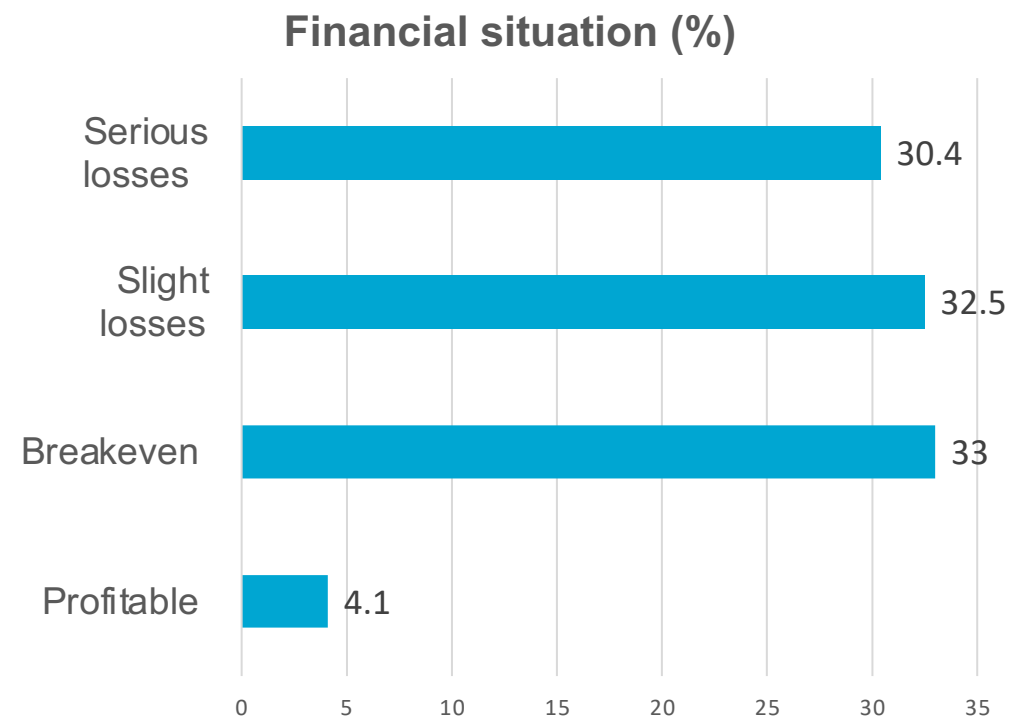
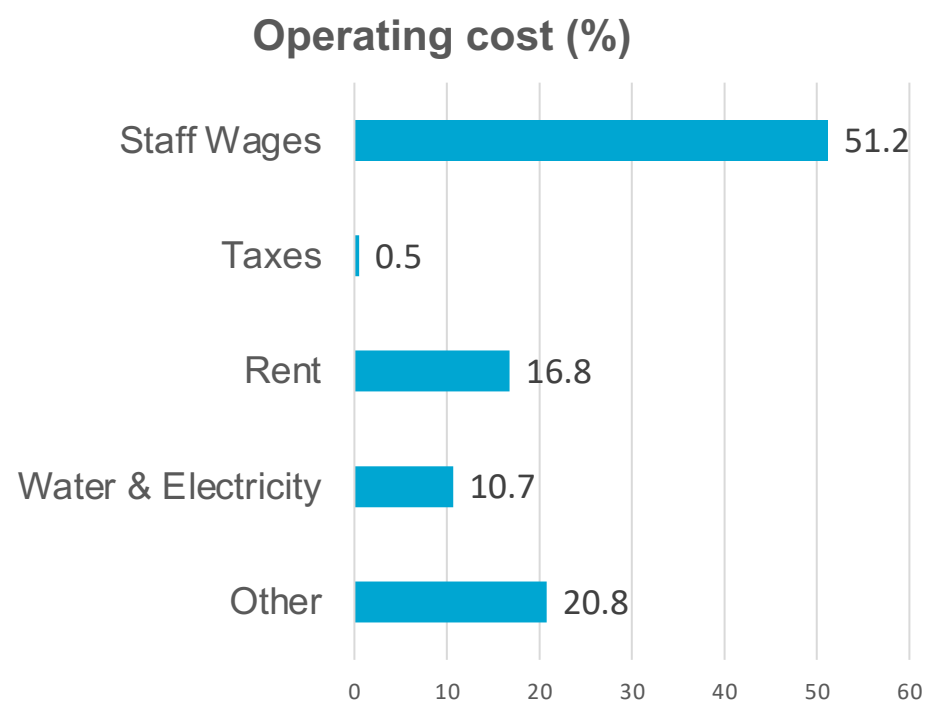


- The grueling nature of eldercare work and low wages make it hard for eldercare providers to recruit and retain skilled workers.
- More than half of the institutions operated below the full capacity.

Labor Market Conditions for Long Term Care Workers

Findings

The precarious financial situation restrained the ability of employers to raise wages for care workers.



Source: Beijing Eldercare Institutions Census, 2016

Remarks

- This paper explored the main characteristics of the health and elderly care workers, and the labor market conditions in the PRC.
- The analysis shows that the health and elderly care workforce is female-dominated; almost all nurses are women, and the elderly care workforce is predominately older migrant women with a junior high school education or lower.
- The health-care workers experience poor labor market conditions, making many doctors and nurses want to leave the medical profession.
- The institutional elderly care sector appears to find itself in a vicious circle of low-pay, low-quality services, and low effective demand, as it is evident that majority of elderly care institutions in Beijing could not break even, and many of them operate at only half their capacity.

Remarks

- Poor labor market conditions for care workers lead to poor-quality care services and a shortage in the supply of care services.
- Attracting workers into elderly care education and training is difficult if elderly care work remains a low-paid, low-status job.
- As young people become more educated and migrant workers eventually settle down in the cities and acquire equal rights and entitlements as urban residents, society can no longer rely on low-skilled migrant women for adequate elderly care provision.
- As this paper illustrates, however, the ability of elderly care institutions to raise the wages for elderly care workers is constrained by the affordability of elderly care services for care users.
- The findings call for a comprehensive and long-term strategy for health and elderly care provision to improve the pay and working conditions for workers and make quality care services accessible for all people with care needs.

Contact:

Xiao-Yuan Dong

x.dong@uwinnipeg.ca

Veronica Mendizabal Joffre

vmjoffre@adb.org

Yueping Song

songyueping@ruc.edu.cn