

Implications of an Aging Society

How Canada's Aging Population and the Healthcare Trend of Aging in Place is Impacting the Workplace

Over this next decade, along with coping with the transformational change of the 4th Industrial Era, employers and employees will be dealing with the personal and workplace complexities of our aging society.

Canada's baby boomer generation, about 10 million strong, currently ranges in age from 54 years (born ~1965) to 73 years (born ~1946). Ten short years from now, all baby boomers will be between 65 and 84 years of age, with approximately 70% being 70 years of age and older. Today, there are half a million more workers aged 55-64 years than there are young workers, those aged 15-24 years.

The Alzheimer's Society 2016 Report, *"Prevalence and Monetary Costs of Dementia in Canada,"* indicated that by 2030 there will be nearly 1 million people living with dementia and about twice as many (functioning as caregivers) directly affected by dementia. Experts anticipate the related annual health care system costs and caregiver out-of-pocket expenses to be approximately \$21 billion annually. The informal, unpaid caregiver time is estimated to be 38.4 million hours per year.

There is no doubt the majority of the unpaid 2 million caregivers will be family members. Today, 500,000 unpaid caregivers are adult children who also hold jobs. As the percentage of workers who are also caregivers rises over the next decade, caregiving will become a workforce issue.

Personal Experience

My experience in functioning as Power of Attorney and Personal Directive Agent for an aging family member between 2013 and 2017 suggests that the Alzheimer Society estimate of 38.4 million hours per year is a conservative estimate. While this might sound like an extreme amount of time, my story sheds light on how I've come to this conclusion.



My parents, both in their mid-eighties and despite Mom's Alzheimer's diagnosis, had been managing reasonably well. My family, including my Mom, were aware of Mom's memory and cognition problems for a few years before her formal Alzheimer's diagnosis. Dad was mentally well and took care of Mom at home as her dementia advanced. He had very few breaks in the years leading up to Mom's hospitalization, insisting that he and Mom were doing fine.

We learned after Mom was hospitalized in July 2013 just how demanding the previous couple of years had been for Dad. Typical of their generation, Dad and Mom were deeply private about the progression of Mom's disease and its impact on them. Dad was embarrassed about Mom's increasing physical and mental infirmities and loss of ability to perceive socially acceptable behaviour. The emotional pain of watching his wife of 60 plus years slip away and the around-the-clock effort it took to keep her safe was stressful, frustrating, and exhausting for Dad.

Mom remained in the hospital until mid-October 2013, when she was placed in a secure dementia care facility, where she stayed until her death in November 2017.

Caregivers and Dementia

Between July and mid-October 2013, my sister and I each spent eight 40-hour work weeks (a total of 340 hours each) staying with and assisting our parents who lived in a small city several hours' drive away from us. My sister, who was employed full time, used her vacation time, unpaid leave time, and all her flex time. As a consultant, I cut back on my work in order to free up the time to provide the needed caregiving.

Managing Mom's care (health, wellness, and financial management) took an average of 4 hours per week for me from her placement in long-term care in October 2013 until her death in mid-November 2017.

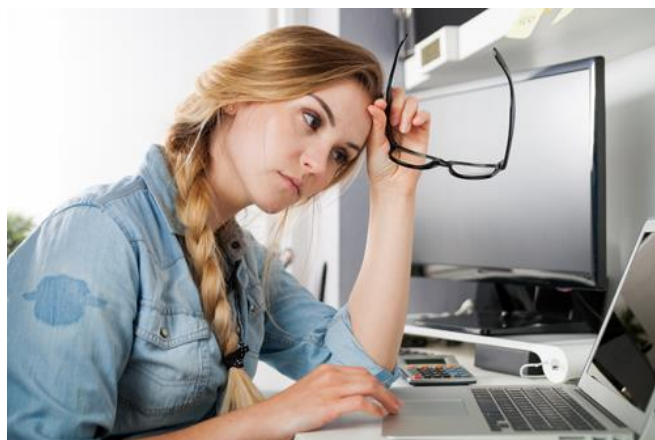
Time Spent by Two Caregivers

- *Eight 40-hour work weeks (340 hours each = 680 hours)*
- *208 weeks @ 4 hours/week (832 hours)*
- *Combined time over 4.33 years = 1512 hours (average of 349 hours per year)*

When comparing the hours we spent to the 2016 Alzheimer's Society report estimates of about 950,000 people requiring 38.4 million hours of unpaid caregiver time, our experience was ten-fold greater than the estimate. Two unpaid caregivers, providing a combined total 350 hours per year for 950,000 people comes to a total of 332.5 million hours. This total is based on care requirements when the individual who requires care is **not** living at home with family members.

The Impact on Employers

Many of the caregiver responsibilities - visits to doctors and dentists, managing the relationships and services provided by care facilities, and financial management activities - need to occur during daytime working hours. As a result, carrying out these tasks requires caregivers to take time off work. Caregiver responsibilities are not always predictable, resulting in time off being taken on an emergency basis. There are a variety of associated managerial challenges ranging from reassigning time-sensitive work to handling the frustrations and morale issues that almost inevitably arise with co-workers as a result.



Providing caregiving, especially at advanced stages of dementia care, is psychologically, emotionally, and physically challenging. As a result, employees who bear these responsibilities are often unable to function their best at work. Employees who are using their vacation time to act as caregivers have no downtime and lose the rejuvenating effects of a vacation. These stressors negatively affect the employee's capacity for learning and taking on new challenges, reducing the employee's resilience and ability to cope with constant change, which are essential workplace capabilities. The combination of those factors leads to reduced productivity.

Even when the employer is motivated to accommodate the employee in these situations, it can become impossible for the employer to sustain that level of support in the long term, as the business often needs that employee's knowledge, skills, and abilities to be regularly available.

While, these challenges affect all businesses, they can be particularly difficult for small businesses (1-99 employees), which comprise approximately 98% of all Canadian businesses.

Impacts on Employees

Caregiving can create financial challenges. Caregivers using unpaid leave, job protected or otherwise, changing to part-time employment, or reducing their work time to fulfill their caregiving responsibilities all suffer the impacts of reduced income.

Along with reduced pay, the financial costs generally include transportation expenses and, depending on the individual situation, potentially out-of-pocket costs for personal needs of the individual being cared for -from shampoo to aids for daily living costs, which are not covered by public health care.

Physical and psychological costs of caregiving are also significant. According to the 2006 *American Psychological Society* article, "The High Costs of Caregiving," caregivers have 23% higher stress hormones and 15% lower

antibody responses than non-caregivers. Informal caregivers for dementia patients are normally elderly spouses and adult children who are typically 45 years of age or older. Elevated stress hormones can contribute to high blood pressure and glucose levels, which increase the potential for hypertension and type two diabetes.

Spouses providing regular full-time caregiving are six times as likely, and adult children twice as likely, to develop depression or anxiety.

Despite the growing number of men involved in caregiving (65% of dementia diagnoses are women), caregivers are still primarily women. The wage gap (in 2017 annual full-time earnings for Canadian women¹ were \$0.73 for every \$1.00 men earn) and reduced earnings resulting from career interruptions significantly contribute to women's poverty.

Over the last few years, people's understanding of the demands of informal family caregiving related to dementia has grown, as have the supports available for those suffering with dementia. However, the supports - be it housing for individuals requiring continuing care, the number of paid workers, or legislation providing supports for employers and workers facing the challenges unpaid caregiving produces - are not keeping pace with the growing need.

Based on our average caregiving time of 349 hours/year. For individuals providing care earning the Canadian average annual salary (\$50,000/year or \$24/hr), using 3 weeks of paid vacation time (120 hours) and unpaid leave, the cost of lost wages is (349 – 120 = 229 hrs) is (220 x \$24) \$5,496 per year.

¹ Statistics Canada. Table 11-10-0240-01 Distribution of employment income of individuals by sex and work activity. Canadian provinces and selected metropolitan areas. Note: 2017 is the most recent date for which data are available.

The Future Workforce

Canada Today
37 Million People
6.4 million Seniors
24.7 Million Workers
3.9 Workers/Senior

Canada 2030
41 Million People
10 Million Seniors
26 Million Workers
2.5 Workers/Senior

The demands on workers to provide longer term unpaid continuing care and support to their aging family members to the levels indicated in the 2016 Alzheimer's Society Report are optimistic at best and unfeasible at worst. We are already seeing the push for care of the elderly back to communities and families as care facility capacity, cost, and shortages of care workers increases.

Dementia is only one of the reasons caregiving needs will increase with the aging of our population. The competing priority for family members to be caregivers and employees is going to intensify, resulting in an increasing need for a variety of supports for both employers and employees.

All provinces provide for unpaid job-protected leaves for critical illness (acute disease with fairly quick death), intended for use when family members are dying. Most provinces have short-term unpaid job-protected personal and family responsibility leaves of 3 to 5 days. None have job-protected leaves that



accommodate the demands associated with ongoing irregular amounts of time off work for the responsibility associated with caring for family members with longer term illness and/or disability.

Ten years from now, the majority of the 1 million people with dementia will be baby boomers. The responsibility related to their care will fall to their children who will be the pillar of the labour force (36-56 years of age) in the prime of their careers. They are set to become the most greatly impacted "sandwich generation" in Canada's history, also carrying responsibility for their own children with all the financial and personal time commitments associated with adult life.

Recommended Actions

Given the magnitude of caregiving needs, which is just one of the multitude of factors impacting the world of work over the next decade, the following practical steps can be taken to address business management and employee needs:

1. Include resources to the Employee Assistance component of benefit programs to support caregiver roles, such as
 - a. financial management and practical care giving training;
 - b. offer education related to the legal responsibilities associated with functioning as the agent for dependant adults; and
 - c. provide information about and access to caregiver-specific health and wellness programs related to resiliency, stress management, and physical and mental health.

2. Customize reward programs to meet the needs of the full spectrum of multi-generation workplace employees.
3. Develop policy to support businesses and workers by establishing unpaid job protected leaves for ongoing caregiving responsibilities coupled with tax credits and/or employment insurance support for caregiver-related work absences.

Although there is much we can't change, such as the increasing proportion of Canadians who will require at-home care, much can be done to alleviate stress to both caregivers and those who are aging. If employers, the government, and caregivers are proactive, we can mitigate many of these stresses.²

² Author: Anne Howard. Editor: Shanaya Nelson. October 2019