

# Global Report on Aging

Fall 2005



## ► WORLD PERSPECTIVES

### ► IN THIS ISSUE

- 3 >> From the CEO**  
The Challenge of Delivering First Rate Care
- 4 >> From the Editor**  
Crossing Borders or Staying in Place? The Long-term Care Workforce Debate
- 6 >> Policy Forum**  
Can the Developed Countries' Demand for Caregivers Outstrip the Supply?  
East to West:  
The Migration of Informal Caregivers
- 8 >> Global Focus on Long-term Care Workforce**
- 9 >> Survey Finds Little Confidence in Government to Provide for Citizens in Retirement**
- 10 >> Making It Better**  
CASTing Technology for Older People, Caregivers
- 11 >> International News Highlights**  
**What the Leaders Are Saying**  
**Global Aging Program Upcoming Events**

## Looking Abroad to Meet the Demands for Caregivers

By **Ron Hoppe**, COO and Co-founder of WorldWide HealthStaff Associates Ltd.



As the American population ages, the need for qualified professional caregivers is increasing as well. However, what are organizations to do that provide long-term care when their nursing workforce is also aging? Not only is the nursing workforce aging but it is doing so at twice the rate of the general working age population.

Starting in the latter 1990's some long-term care providers in the US started to experience chronic nursing vacancies as traditional recruitment methods were no longer attracting a sufficient number of qualified nurses. Recruitment strategies were soon bolstered by expanded retention programs designed to keep existing nurses in the workforce longer and to attract those that had left the profession back to work, if only on a part-time basis.

At the beginning of the 21<sup>st</sup> century long-term care providers continued to grapple with an increasing shortage of nurses while at the same time that planning was taking place for expanded facilities and programs to meet the burgeoning demand for services. These factors, combined with workforce data that was now projecting a

sharp increase in the number of nurses retiring, motivated some to seriously explore the viability of international recruitment.

Long-term care employers discovered that there was an abundant supply of highly educated and skilled nurses in a number of countries, especially those with emerging economies such as the Philippines and India. Employers also found that there were some nurses in other developed countries, albeit in relatively small numbers, such as Canada, United Kingdom and Australia who were also interested in working and living in the US.

However in order for international recruitment to be included in an employers overall staffing plans, they needed to develop strategies to meet the stringent US Registered Nurse

*(Continued on page 2)*



## ▶ WORLD PERSPECTIVES

### Recruiting Internationally to Meet the Demand of Nurses *(Continued from page 1)*

licensure requirements and the equally stringent US immigration requirements.

International recruitment efforts were focused primarily on countries where:

- ▶ education standards for nursing were recognized as being equivalent to US standards;
- ▶ there was a general level of English language proficiency;
- ▶ there was some history of immigration to the US, and;
- ▶ there was a sufficient supply of nurses that could be recruited without devastating the workforce of the nurse's home country.

The application of these criteria resulted in the Philippines and India as being the primary countries in which international recruitment activities were undertaken.

While international recruitment was providing additional nurses to the long-term care workforce, employers realized that this strategy was not without some risks. The aftermath of the terrorist attacks on the US in 2001, changes to licensure rules and immigration regulations and sometimes lengthy immigration processing times all contributed to a process that was more complex than some employers had anticipated.

Employers who achieve the greatest success in recruiting internationally include a number of key elements in their strategies. These include:

- ▶ a strategic vision and commitment to the process;
- ▶ communication with existing staff throughout the international recruitment process to ensure organizational buy-in and support;
- ▶ contracting competent professional help to manage all aspects of the process;
- ▶ mentorship programs and structured orientations for nurses on their arrival in the US that specifically address the practice differences the nurse will encounter; and
- ▶ a clear understanding of the acculturation issues that the international nurse faces in integrating into the US long-term care workforce and into US society in general.

Concerns have been raised regarding the impact of international recruitment on the nurse's home country. While these concerns are valid and need to be taken seriously

when considering recruiting in some developing countries, countries such as the Philippines and India have a long history of purposely training nurses in numbers well beyond their domestic requirements specifically for employment abroad. Nursing curriculum in these countries has been developed with careful consideration of the US standards.

Also, the countries from which nurses have been recruited are receiving several significant benefits. Once nurses are employed in the US they tend to return a portion of their earnings to their home country specifically to support their extended families and some of the nurses return to their home country and are able to transfer the knowledge and skills they have gained in the US by assuming leadership positions in academia and in hospitals.

*Long-term care employers discovered that there was an abundant supply of highly educated and skilled nurses in a number of countries, especially those with emerging economies such as the Philippines and India.*

Although the nursing shortage eased slightly in 2004 as the result of domestic and international initiatives, US production of new graduates remains less than the current demand and the number of older nurses continues to increase at three times faster than younger workers.

Overall the international recruitment of nurses is having a beneficial impact on the delivery of long-term care services in the US. International nurses help to ensure that there are an appropriate number of nurses available to meet the demands of an aging population. With current US workforce and demographic studies predicting that the greatest shortage of nurses still lies ahead, international recruitment will remain as an important element of the staffing plans of many long-term care providers. ◀

▶ FROM THE CEO

## The Challenge of Delivering First Rate Care



*“International arrangements are needed to address the needs and aspirations both of those who need long-term care and those who would provide that care.”*

In many countries, the workforce for long-term care presents an immediate and growing problem that requires far reaching solutions. Long-term care workers are often in short supply, and that's only the beginning of the problem.

The work is typically low-paying and difficult, and it is common for these workers to have another job, just to get by. It's no wonder that turnover in the field can be, in some institutions, as high as 100 percent (or more!) a year. This is not a recipe for high-quality care.

The first question to ask is: how is first-rate care delivered? Clearly, it is not delivered by people with little or no training, who are underpaid, and overworked. We need standards for training that are appropriate to the actual duties of the workers. We need reasonable standards for wages, perhaps adjusted regionally to account for differences in the cost of living.

Where will the developed countries find these workers? Many countries, like the US, may have to look abroad to find the nurses and direct care workers they need. Temporary work visas may be a partial solution, but they may deny the holder of the visa the ability to become a citizen. This is true in Japan, for example, with the result that only about 100 long-term care workers enter that country every year. In Italy, 83 percent of home helpers are, as they characterize it, “undeclared” by their employers.

The UK is one of the largest importers of professional health care workers in the world. A large percentage is employed in the long-term care system, and more and more are coming, often from former colonies in developing countries. By contrast, Sweden and Norway employ relatively few foreign born workers in long-term care. And, in Austria, substantial cash benefits, little

regulatory oversight of home care and a tradition of family caregiving have led to substantial use of international long-term care workers. Many of them are illegal, but are openly recruited by agencies for short-term rotating care duty.

Japan has found a solution, but it has proved to be more expensive than was anticipated. Japan has added long-term care to its Social Security program, with a mandatory tax that pays for those eligible who need some kind of nursing care. The Japanese plan focuses on “home helpers.” They receive basic training and are reasonably well paid. Although the cost is higher than planned, it has proved popular and, evidently effective. It has also helped reduce unemployment.

Whether this model would be acceptable in the US is far from certain. It would add a tax at a time when taxes are more unpopular than ever. But one thing is clear: the US needs to invest—directly or indirectly—in developing, training, and retaining more and more professional long-term care workers, regardless of whether they are foreign or native born. Otherwise, the problem will grow worse as the large baby boomer cohort moves into old age.

We will not reach a level of adequate care if workers continue to view long-term care as a stop-gap position or a second job, often the low rung on the ladder. It is not surprising that many are recent immigrants, with limited skills and often limited ability in the language of the country where they are working.

By professionalizing a corps of domestic long-term care workers, we could take a long stride toward solving this problem. This direct care work must be seen as a

*(Continued on page 5)*

## ▶ FROM THE EDITOR

## Crossing Borders or Staying in Place? The Long-term Care Workforce Debate



*“Insourcing’ qualified health care staff from emerging economies and developing countries is promising, but not without political and economic peril.”*

An unprecedented demand for long-term care services, driven in part by the aging of the world’s population, is leading to a shortage of supply of workers who can provide care. It’s a quandary that policymakers must face if quality and accessible care is to be available as millions of baby boomers advance into retirement.

One answer may be found in forces of globalization and the trans-nationalization of labor markets. Open borders can increase international migration of workers trained to provide long-term care services in developed countries. “Insourcing” qualified health care staff from emerging economies and developing countries is promising, but not without political and economic peril. For one, increased immigration is not politically palpable in some countries, particularly those with high unemployment rates, such as Germany, or with strong cultural resistance to immigration, such as Japan.

However, another approach calls for an increased investment in education and training of the available laborforce, a strategy Japan is following. While finding domestic workers sounds simple and logical, it too comes with a cost—particularly a financial one.

In this issue of the *Global Report on Aging* we explore the long-term care workforce challenge and approaches by developed “insourcing” countries and developing sourcing countries to meet the challenge. We also take a look at the US and the experience of actively recruiting health and long-term care workers from across the globe, and examine the policies of countries as they relate to immigrant workers.

Issues facing long-term care have been a focal point of our study here at AARP. Over the past few months

we have begun to take a look into a myriad of global long-term care issues. We have learned that long-term care affects all aspects of society from retirement financial planning to transportation infrastructure and community design.

*Universal Village: Livable Communities in the 21<sup>st</sup> Century* brought experts from across the globe to Washington, DC to discuss how a wide range of transportation options and appropriate, affordable, and accessible housing can enable older persons to age in place while remaining independent and engaged in community life. A key component of these livable communities is integrating care into the home or the community and decreasing the need for institutional care.

Making life better at home and in the community is only one component to a successful retirement. In July, the Global Aging Program hosted *Reinventing Retirement: Balancing Risk*. We looked at retirement as a complete package and reviewed the balance of risk in various countries’ long-term care and health systems as well as private and public pensions.

During *Reinventing Retirement: Balancing Risk* we also released the *International Retirement Security Survey*. The survey, conducted on the general population in 10 countries, demonstrated general lack of optimism about government’s ability to effectively deliver on pension and health care promises both now and in the future. We consider these findings alarming, and hope leaders will focus on building confidence in retirement security. There is still much to be done to build confidence in retirement security.

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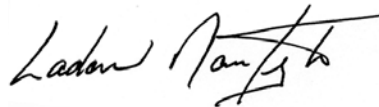
## ▶ FROM THE EDITOR

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Public and private pensions were also the subject of a successful meeting between the US and the UK at the 2005 *US/UK Dialogue on Pensions*. The AARP Global Aging Program, in association with the British Embassy in the US, the Employee Benefit Research Institute and the UK Department for Work and Pensions convened policymakers and experts from both sides of the Atlantic for this very important event. Participants delved into issues such as pension protections, financial education, hybrid pension plans, strategies for increasing enrollment in private retirement savings, and the retirement situations affecting women.

At the Global Aging Program's forum on long-term care to be held in Washington, DC on October 20, new research by AARP's Public Policy Institute will be released, analyzing how the migration of long-term care workers from developing countries to the developed ones is changing

the economic and caregiving landscape across the globe. While this edition of the *Global Report on Aging* provides a glimpse into the emerging issue of how we fill the workforce gap of trained staff who can provide quality health and long-term care, the conference will explore this question in more detail. To learn more about *International Forum on Long-Term Care: Delivering Quality Care with a Global Workforce* visit [www.aarp.org/ltcforum](http://www.aarp.org/ltcforum). ◀



**Ladan Manteghi**  
Director, AARP International Affairs

## ▶ FROM THE CEO

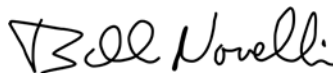
### The Challenge of Delivering First Rate Care *(Continued from page 3)*

profession, not a low-level, even menial, job. We need required standards for training, properly delivered, to those who are already on the job—especially to foreign and native born workers who are already doing the work. Much of the long-term care industry, at least in the US, is low tech. Let's apply more technology to both training and the actual delivery of care. But while technology has an important role to play in long-term care services, the human component—the touch of the hand, the kind word, the strong arm to support the frail body—remains critical to successful and compassionate care.

It seems clear that meeting the long-term care needs of the older populations in many countries is going to require more international agreements and coordination. This is especially the case since the quality of the

long-term care received by older persons may increasingly depend on workers primarily from developing countries.

National policies alone are no longer adequate. International arrangements are needed to address the needs and aspirations both of those who need long-term care and those who would provide that care. ◀



**William D. Novelli**  
Chief Executive Officer, AARP

## ► POLICY FORUM

## Can the Developed Countries' Demand for Caregivers Outstrip the Supply?

By **K. R. Gangadharan**, Managing Director Heritage Hospital, India

Nurses make a vital contribution in delivering safe and effective health care. However, a serious shortage of nurses is emerging in several developed countries. A study reveals that the US nursing workforce is aging rapidly, and will be short by a million by 2012. Nearly 90 percent of the country's nursing homes are inadequately staffed. The situation is alarming in the UK too. Over a third of the nurses are 40-49 years old, 12 percent are 50-54 years old, and 16 percent are over 55. The vacancy rate is ris-

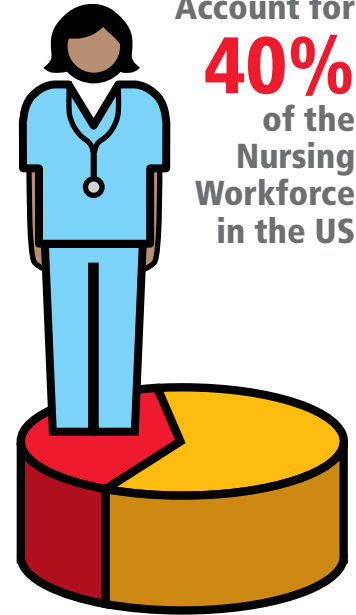
ing rapidly, increasing the patient load per nurse to near-unsustainable levels, and putting more patients' health at risk for want of adequate health care. Another study finds that a third of medication errors are linked to heavy workloads that leave nurses unable to administer medications on time. Nurses are consistently interrupted while administering medication.

The reasons for the severe shortage are decreasing number of nurses in the training pipeline, shrink-

ing pools of replacement workers, lengthy training before new nursing students enter the workforce, and shortage of teaching faculty. Younger adults in the developed countries are unwilling to enter into the nursing profession because of heavy workloads, emotionally draining working conditions, and low wages. To address their severe nursing shortages, the US, UK, Japan, Italy, Germany and several other countries are wooing immigrants by relaxing their immigration rules. Immigrant nurses

Foreign-Born Nurses Account for

**40%**  
of the  
Nursing  
Workforce  
in the US



account for 40 percent of the nursing workforce in the

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## East to West: The Migration of Informal Caregivers

By **Giovanni Lamura & Francesca Polverini**, Italian National Research Centre on Aging, Ancona, Italy

Over the past few years, there has been a shift in the attitudes of older Italians regarding their long-term care needs. More and more often, Italians in need of long-term care are deciding

immigrant workers provide an affordable option.

The high number of foreign-born caregivers is considered to be a panacea for the nationwide shortage of

immigrant workers provide an affordable option. This is a significant change from 2001 when only 20 percent of foreign-born workers worked in domestic positions.

The increase of foreign-born workers is attributed, in part, to the decrease in traditional family care. Italian women, the traditional caregivers in Italy, are working outside of the home for longer periods of time. Without women, the need for in-home caregivers has increased substantially. Foreign-born caregivers have filled this void. However, these care-

givers are not licensed and work outside the oversight of regulatory bodies.

It is difficult to measure whether foreign-born caregivers adversely or positively affect the delivery of quality care. Due to the increase of unlicensed, foreign-born caregivers, concerns over quality care have been raised. Concerns have also been raised regarding the economic hardships that foreign-born workers face when they have no official status with the Italian government.

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*The increase of foreign-born workers is attributed, in part, to the decrease in traditional family care.*

to live at home, rather than in an institutional setting. Many families have chosen to bring in caregivers for their aging relatives.

affordable nurses and aides. Currently, foreign-born workers represent over 83 percent of the over 490,000 employed in domestic posi-

► POLICY FORUM

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US. Workforce migration is prompted by greater personal safety and social security, equal-opportunity employment and social welfare, better economic prospects and educational opportunities besides many others.

Countries that 'export' labor see significant financial benefits. For example, India receives remittances worth US\$23 billion annually. However, India has no effective government policy in place to restrict this massive 'brain drain', which leads to loss of skilled manpower as well as huge investments in public subsidies. India's policymakers tend to focus on the positive aspects of the

'brain drain', such as inward remittances, technology transfer, surplus manpower filling gaps in developed countries, and migrants returning with better skill sets.

This transfer of resources has a significant downside for some countries. In these places, government hospitals find themselves without qualified nurses and many private facilities have to make do with inadequately trained nurses that they are forced to hire due to the shortage. The staggering overall depletion of health resources is most evident in the AIDS-ravaged African country of Malawi where more registered nurses have left to work abroad in the last few years than remain

in the public hospitals and clinics that serve most of the country and where almost two thirds of the public health system's nursing jobs are vacant.

Church Homes, Heritage Hospital has set up UCH-Heritage Healthcare Inc., which imparts Commission on Graduates of Foreign Nursing Schools (CGFNS)

*Countries that 'export' labor see significant financial benefits.*

To fill this global dearth of qualified nursing professionals, several training organizations in developing countries have initiated nurse-training programs that follow the stringent standards of the host nation. India and the Philippines, in particular, deserve special mention in this regard. In a joint venture with United

training to Indian nurses for careers in the US. CGFNS is an immigration-neutral, nonprofit organization and is an internationally recognized authority on credentials evaluation pertaining to the education, registration, and licensure of nurses and other health care professionals worldwide. ◀

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At the local level, governments are beginning to implement programs aimed at matching the demand for home care workers with an adequate supply of trained nurses and aides. Through better training and accreditation programs, a constant supply of qualified caregivers can be guaranteed.

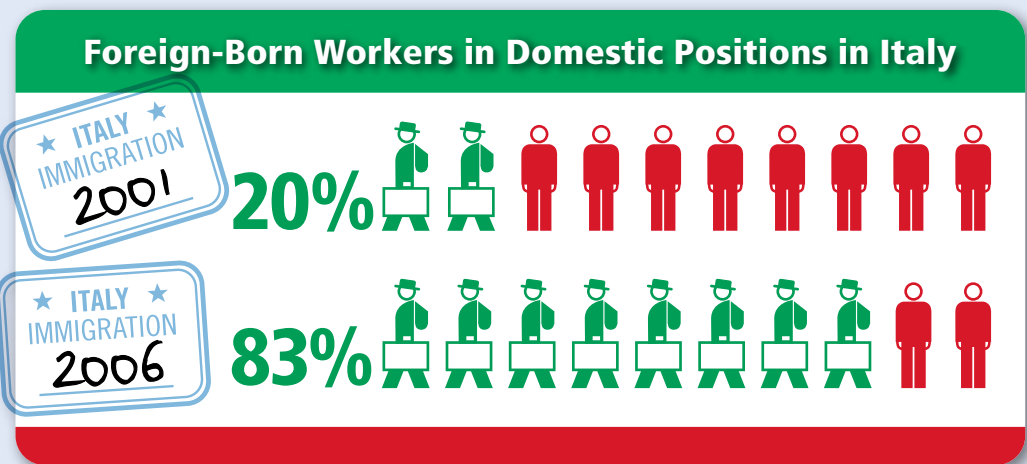
In order to ensure a quality workforce of caregivers, Italy must integrate these foreign-born caregivers into the formal network. It is the responsibility of the government to provide adequate salaries, monitor care, and license in-home caregivers, be they domestic or foreign born.

A good model for this is the European Employment Service (EURES) that facilitated the employment of several hundred Spanish nurses in Italy. EURES implements mobility, recruitment and training programs for care-

givers from other countries. There is greater international recognition of professional skills acquired abroad.

Finally, in order to make caregiving for older persons more attractive for

native-born Italians, Italy must allow more students to enter nursing school and provide incentives for older nurses and caregivers, so that they can stay active in the labor market for a longer period of time. ◀



## ▶ GLOBAL FOCUS ON LONG-TERM CARE WORKFORCE

### Austria

Austria has several important characteristics related to the migration of long-term care workers: 1) The large number of immigrants when compared with other European nations, 2) The government instituted a substantial cash benefits program which helps fuel home and community based services, 3) Its proximity to Central and Eastern Europe provides a steady supply of workers from neighboring countries like Slovakia and the Czech Republic. Austria will provide temporary immigrant status for some foreign workers.

These characteristics have led to a network of temporary arrangements where families hire a rotating supply of workers who come for a few months at a time and then rotate back home to be replaced for the next few months by another worker. A report on quality by the Austrian government found fairly high quality in home care, but there was no specific look at the relative quality provided by these temporary workers versus the family caregivers who are more the norm.

### Canada

Canada has substantial numbers of permanent immigrants. Unlike the US, Canada is a significant importer and exporter of health care workers. A high percentage of the skilled workers in Canada are foreign born.

Canada has been particularly active in efforts by the Commonwealth to “manage” the migration of health care workers from the Caribbean nations. The success of these efforts appears to be very limited because of the large number of migrants to the US.

Canada sends significant numbers of its native nurses to the US, many of whom commute daily across the border. North American Free Trade Agreement (NAFTA) provisions extend mutual recognition for temporary health care workers, but recent changes in immigration requirements have complicated the situation for many permanent employees. Foreign trained nurses from the Commonwealth countries represent 7.3 percent of Canadian nurses, and Canada faces increasing shortages. One factor in the Canadian shortages was that nursing school enrollments were down by as much as 40 percent in the 1990s.

### Italy

Italy has traditionally emphasized family caregiving (i.e., continued emphasis on traditional caregiving roles for female members of the family). However, with more and more women working in the formal labor sector for longer periods of time, Italy has begun to import workers to fulfill their caregiving needs.

Italy has no tradition of formal immigration. However, foreign-born workers are allowed to come and go freely. These foreign workers rarely become full citizens and tend to work within the gray economy. This has led to large numbers of immigrants providing services to older people in their homes.

In Italy’s case, limited public cash benefits, with little oversight on their uses, help to pay for these foreign-born workers. Many come from Romania and Albania, which share linguistic similarities, some come from former colonies in Africa, and some come from Latin America.

### Japan

Japan instituted a new social insurance program to cover long-term care in 2000. The program has a number of goals, including relieving the caregiving burden on the growing number of Japanese women who are in the workforce. Roughly 2.5 million citizens were eligible for the new social insurance program in the first year and the program grew by 45 percent in the first three years. But the Japanese Ministry of Health estimates that the number of older people needing long-term care will rise from 2.8 million in 2000 to 5.2 million in 2025.

Despite the projected gap between the demand for long-term care services and the supply of workers to provide those services, Japan remains one of the least open to immigration of any developed country. Only one percent of its population is foreign, and Japan naturalized only 14,300 people in 2002. In a recent poll, 83 percent of Japanese respondents opposed immigration by foreign workers. Japan requires that nurses receive their training at Japanese nursing schools, and only permanent residents are permitted to take the national licensing examination. This requirement may be relaxed somewhat due to international free trade agreements with the Philippines and others. But the recently negotiated free trade agreement would allow entry to only 100 Filipinos in the first year, and even that tiny number is strongly opposed by the Japanese Nursing Association. While some Filipino domestic workers are providing services to older persons with disabilities, their numbers are small and they work for low wages in a gray economy with little social protection.





## Sweden

Sweden shares some of the demographic characteristics of Japan as well as relatively low rates of immigration. The country's system of long-term care services is designed to support women in the workplace and to professionalize caregiving to older people needing help. Compared to other countries' caregivers, Sweden requires the most education and pays the highest salaries.

Despite cutbacks in recent years, Sweden still funds a substantial array of home-based and institutional services mostly provided by public agencies. Sweden also provides a range of non-financial supports to informal caregivers through local municipal governments.

Unfortunately, data is sparse on the use of international workers to provide long-term care services in Sweden. In fact, the country considers it unethical to collect data on the ethnicity of caregivers in Sweden. The Scandinavian countries have mutually recognized each other's nursing credentials and allowed relatively free migration in their countries for over 20 years. As a result, most of the foreign workers come from the neighboring countries of Denmark, Finland, and Norway.

## United Kingdom

The UK may be the largest importer of health care workers in the world. Nearly half of its newly licensed doctors and nurses have been educated in other countries. While some of these workers come from the European Economic Area (EEA), the vast majority come from "overseas" sources—mostly former colonies in the Commonwealth such as Jamaica and India, with the notable exception of the Philippines. Disproportionate numbers of foreign trained nurses work in private nursing homes in the UK—14 percent versus five percent of native born UK nurses. More than one in four nurses (27 percent) who were first qualified overseas, worked in "older people's nursing"—twice the 13 percent of those first qualified in the UK.

ROSE—refugees and overseas qualified health professionals into employment and social care—strives to help immigrant workers transition into employment throughout the UK's National Health System (NHS). Although coming primarily from Commonwealth countries that have an understanding of the UK, ROSE aims to teach the culture of the NHS and prepare qualified individuals for work within the UK health sector. ◀

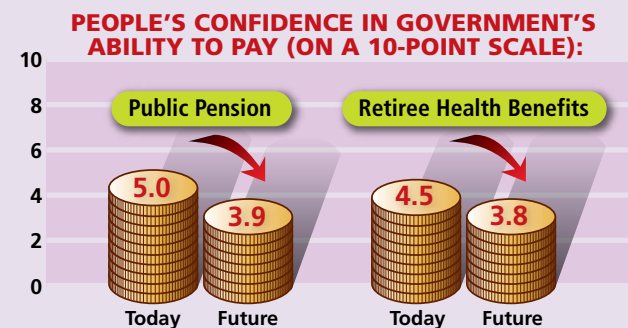
## Survey Finds Little Confidence in Government to Provide for Citizens in Retirement

A recently released survey from AARP reveals that individuals around the globe have a tempered personal optimism regarding their own retirement situation. However, they have little confidence in government ability to deliver on pension and health care promises. The International Retirement Security Survey, released by AARP's Global Aging Program in conjunction with Harris Interactive, is based on 4,000 interviews among people age 30 to age 65 in 10 developed nations.

Findings from the survey suggest that while tempered optimism was the predominant outlook, none of the industrialized countries have escaped concerns about retirement security in some form. Only 16 percent of those surveyed were very optimistic about their personal retirement, although another 41 percent were at least somewhat optimistic. However, the survey also found two in five (39 percent) were either somewhat or very pessimistic about their personal retirement. Optimism varied by geographic and demographic factors.

Despite the expectation of at least some government support in retirement income and health care, residents of all of the countries surveyed consistently reported lack of confidence in the ability of their governments to provide these benefits in the future. Confidence in government's ability to pay public pensions to today's retirees rated only 5.0 on a ten point scale. Trust in government ability to pay future benefits drops to an average of only 3.9. Trust in government to deliver retiree health care benefits today averages 4.5 and drops to 3.8 when respondents look to the future. The survey report concludes that governments and other stakeholders will have to make a genuine effort to promote greater understanding of retirement security issues, and to rebuild citizen confidence that government will fulfill their future benefit commitments.

A full copy of the *International Retirement Security Survey* and detailed analysis of the data can be found online at <http://www.aarp.org/research/intl/comparisons/irss.html>. ◀



Survey is based on 4,000 interviews among people ages 30-65 in 10 developed nations.

## ▶ MAKING IT BETTER

## CASTing Technology for Older People, Caregivers

At a time when every seven seconds another baby boomer turns 50 in the US, more attention is being paid to creating new innovations for bringing technology into caregiving in as many ways as possible. This is due to the fact that current studies on caregivers project their numbers will drop as fewer people enter the long-term care field and budgets continue to shrink. The Center for Aging Services and Technologies (CAST) is working to change that.

CAST began as a partnership between the American Association of Homes and Services for the Aging (AAHSA) and the Intel Corporation in 2002. CAST is working to reduce health care costs, help older adults maximize their independence, improve the quality of care and life, support the needs of professional and family caregivers, and increase aging services provider efficiency. As the 50+ population increases, CAST works to unite not only research, business, governmental, and medical communities within the US but also those abroad in order to develop innovations for caregiving.

There are many other burdens being placed on caregivers. Large amounts of paperwork and antiquated service delivery bog down the current system and cause frustration for many caregivers. By incorporating more technology into the caregiving industry, many time-consuming responsibilities could become more efficient. Paperwork can become electronic and automatic and the health status of more individuals can be monitored remotely, allowing for more direct care for those in need.

CAST breaks aging service technologies down into four categories: enabling technologies, such as Quiet Care Home Health Security System, allows older people to be more independent and remain in their own homes for as long as possible by monitoring abnormalities in daily movement; operational technologies, such as the TeleTimecard, eliminates the time card for caregivers and replaces them with digital time records, helping aging services providers manage paperwork more efficiently; connective technologies, such as Generations Online, simplifies web functions, such as email for older persons and keeps the elderly in touch with their families, friends, and communities; and telemedicine which allow the individual's medical consultant to monitor their patients from anywhere. According to CAST, these four components are crucial for maintaining an efficient and effective long-term care system.

By highlighting technological advancements and bringing together governmental, educational and scientific communities, CAST hopes to promote longer independent living of older persons and an efficient and effective caregiving workforce.

For more information on CAST and the new technologies that are helping older people live independent longer and aiding caregivers, please visit [www.agingtech.org](http://www.agingtech.org). ◀

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**Do you know of an innovative product or service that is helping to improve the quality of life for aging populations? Tell us about it. E-mail us at [intlaffairs@aarp.org](mailto:intlaffairs@aarp.org) or fax us at +1 (202) 434-2454.**

## ▶ INTERNATIONAL NEWS HIGHLIGHTS

**World****PENSION CHALLENGES IN MIDDLE EAST AND NORTH AFRICA**

Underscoring the growing financial stress of pension systems in the Middle East and North Africa, a recent report released by the World Bank called for a series of measures that would allow governments to reform what they deem as unsustainable pension systems. According to this new report pension systems in this region face major challenges not because of demographic issues, but rather structural problems, meaning that the consequences of postponing pension reforms will fall on future generations rather than the current pensioned population.

**Australia****GRANTS MAY HELP NURSING SHORTAGE**

In the face of nursing shortages, Australia's government is handing out federal grants to extend program which encourage student nurses to consider a career in aged care. Grants of more than \$330,000 will support 12 aged care facilities in Queensland, Western Australia and South Australia.

**Canada****CANADA STOPS INTERNET DRUG FLOW**

Seeking to stem the flow of prescription drugs into the United States, Canadian officials proposed in June new measures to restrict Canadian internet pharmacies from selling prescription drugs to US consumers. While Health Minister Ujjal Dosanjh did not specify what steps would be taken, Dosanjh did mention that a key measure would be the prevention of Canadian doctors from co-signing prescriptions without examining patients.

**China****FASTEST AGING PROCESS IN THE WORLD**

A study released by the International Federation of Senior Citizen Associations announced that China has become the country with the fastest aging process in the world. In the next 50 years the number of Chinese aged 65 and over will exceed 400 million, making up 25 percent of China's total population.

**Japan****WORKING POPULATION DWINDLES**

Experts at the Ministry of Health, Labor, and Welfare announced that Japan's working population will shrink

16 percent to 56 million by 2030 and lead to protracted economic stagnation. The Ministry urged the government to create opportunities for child-bearing women, senior citizens, and skilled foreign workers to offset this loss.

**Portugal****THOUSANDS PROTEST NEW REFORMS**

Thousands of Portuguese nurses went on strike in June to protest the government's decision to raise the retirement age for public employees from 60 to 65. In addition to protesting the new retirement age, protestors also attacked the government for freezing salaries and halting career promotions. These measures were passed in May to tackle the ballooning Portuguese budget deficit forecast.

**South Korea****FASTEST DEPENDENCY RATIO GROWTH IN THE WORLD**

In a recently released report by the OECD, South Korea faces the fastest growth rate among OECD nations of a ratio measuring how many workers support society's senior citizens. According to the report, the current ratio of potential workers in the 20-64 age bracket will grow to reach 69.4 percent in 2050, almost a seven-fold jump from 10 percent in 2000.

**Switzerland****UNIONS SEEK TO LOWER RETIREMENT AGE**

Despite continued debate over ways to secure funding for state-run pension schemes, the Swiss Federation of Trade Unions launched a new initiative in June to lower the retirement age three years to 62. According to Interior Ministry Pascal Couchepin, who proposed earlier this year to raise the retirement age to as high as 67, lowering the retirement age would cost over a billion Swiss francs annually.

**United Kingdom****AGE DISCRIMINATION TO BE OUTLAWED**

The department of Trade and Industry reached its final stage of implementing the European Employment Directive, a series of regulations that will effectively end age discrimination in labor practices in the United Kingdom. Under these new laws, which come into force on October 1, 2006, employees over 65 are given the same rights to unfair dismissal and redundancy payments as their younger counterparts.

▶ WHAT THE LEADERS ARE SAYING

Global Report on Aging

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AARP is a 35 million member non-governmental organization representing and addressing the needs and interests of persons age 50 and over. We lead positive social change and enhance the quality of life for people age 50 and over through social policy, group buying arrangements, communications, advocacy, and community service.

**“If the pension system changes every time there is a change in government, the public will be inconvenienced. I am saying that rather than make it an issue of the election, it should be discussed by the ruling and opposition parties.”**

**Junichiro Koizumi**, Prime Minister, Japan

**“Aged residential care deserves to be funded at a level where we can have pay parity with the public hospital nurses. If this does not happen, the appalling turnover rate of 29 percent in aged residential care will continue, and we will lose more nurses and caregivers.”**

**Martin Taylor**, CEO, HealthCare Providers, New Zealand

**“Pension crises are often associated with an aging population, which is misleading. In the MENA [Middle East and North Africa] region, where 60 percent of the population is made up of young people, pension systems are already facing financial problems.”**

**Christiaan Poortman**, Vice-president, World Bank

**“China is a rapidly emerging economy and major player in international trade. It is time for a policy dialogue between the EU and China on employment and social affairs issues.”**

**Vladimir Spidla**, Commissioner, Employment, Social Affairs and Equal Opportunities, European Union

**“We will use Norway’s great opportunities and income on the common good: jobs for all, good schools, security and care for the elderly.”**

**Jens Stoltenberg**, Prime Minister Elect, Norway

**“The rising pensions pressure enhances the economic problems, because of higher premiums. Moreover, it affects a basic sense of security on state pensions, health care and other communal facilities. The build-up of pensions shouldn’t be a yo-yo of economic ups and downs.”**

**Gerdi Verbeet**, MP, Labor Party, the Netherlands

▶ AARP GLOBAL AGING PROGRAM EVENTS

OCTOBER 20, 2005

**International Forum on Long-Term Care: Delivering Quality Care with a Global Workforce**

This international conference aims to address the critical workforce shortages in long-term care systems; explore the potential causes and existing patterns of international migration of workers to work in developed countries; consider the impact on quality of care; and address the key policy issues and challenges in both developed and developing countries raised by this migration.

**Sponsor:** AARP  
**Washington, DC, USA**  
[www.aarp.org/lcforum](http://www.aarp.org/lcforum)

NOVEMBER 3–6, 2005

**Mexico’s International Congress on Aging and Expo 50+**

The conference and expo, hosted by Mexico’s National Institute for Older Persons (Instituto Nacional para las Personas Adultas Mayores –INAPAM), will consider opportunities and challenges related to global aging and provide a platform for organizations and companies to share information and market products and services to the 50+.

**Sponsor:** Instituto Nacional de las Personas Adultas Mayores  
**Co-sponsor:** AARP Global Aging Program  
**Mexico City, Mexico**  
[www.inapam.gob.mx](http://www.inapam.gob.mx)

See full event proceedings at [www.aarp.org/international-events](http://www.aarp.org/international-events)  
International events calendar can be found at [www.aarp.org/international-calendar](http://www.aarp.org/international-calendar)

Questions about upcoming AARP Global Aging Program events should be directed to [intlaffairs@aarp.org](mailto:intlaffairs@aarp.org)