



How Will the Caregiving Crunch Reshape the Future of Work?

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The United States is facing an unprecedented demographic shift that will fundamentally reshape how we work, live, and care for one another.

As the large Baby Boom generation moves into advanced ages, more family members and other unpaid helpers are stepping in as caregivers. But older Americans face a growing caregiving gap. **Demand for care is increasing sharply with a rise in the number of people living longer with chronic health conditions.**

These demographic and health trends are converging within America's labor force, where caregiving responsibilities increasingly overlap with work.

Today, more than one-third of the adult workforce (34%) is aged 50 and older, compared with just 24% in 2000. Increasingly, these older adults find themselves in dual roles, continuing to work while also providing care and support for aging parents, children, and grandchildren. This 'sandwich-generation' effect is intensifying, with a growing number of workers in their 50s and 60s balancing career responsibilities with caregiving and other support that often spans multiple generations.

Today, **two-thirds (59%) of Americans in their 50s and more than four-fifths (83%) of those aged 60 and older have an aging parent and also provide financial help to an adult child.**

This caregiving crunch is being driven by the convergence of several social and demographic trends, including:

- An **aging baby boomer population** and a growing number of older adults with care needs, especially among those living with dementia
- **Longer life expectancies—but higher levels of chronic disease**—compared with previous generations
- **Delayed financial independence among younger adults**, and more adult children living with their parents
- The **high cost of in-home care and assisted living facilities**, which puts paid professional care out of reach for many families

Caregiving work is often “invisible” because it’s primarily unpaid, unrecognized, and undervalued, despite its positive impacts on individuals, families, and the economy. In the U.S., **over 24 million people provide unpaid care for older adults—a 32% increase from a decade ago—and 83% of that care is provided by unpaid family members, friends, and neighbors.**

Although caregiving can be a rewarding experience, it can also limit career opportunities and increase financial hardship.

This is particularly true for women, who are often the primary caregivers for children, older parents, and others, even while working full-time.

Opportunities for Employers

Employers that support family caregiving can benefit through:

- **Reduced Turnover and Recruitment Costs:** Supporting caregivers can help retain experienced workers who might otherwise leave to provide family care.
- **Higher Work Productivity and Employee Engagement:** **Employees who receive caregiving support may have higher morale and better performance at work.**
- **Attraction of Top Talent:** As the demand for caregiving increases, companies with more supportive policies may have a competitive advantage in recruiting skilled workers.

Challenges for Employers

- **Accommodating Caregiving Responsibilities:** Employers may need to adopt more flexible work schedules and family leave policies to support workers caring for family members.
- **Maintaining Productivity:** **Employees’ caregiving responsibilities can lead to absenteeism and lower employee morale, reducing business performance.**

Opportunities for Workers

Balancing work and caregiving can be fulfilling for those who can make it work:

- **Delayed Retirement and Greater Financial Security:** Working past traditional retirement age gives older workers a chance to save more for retirement, keep their employer-provided healthcare benefits, and earn income to help offset caregiving costs, while preserving access to employer benefits such as paid time off to support caregiving.
- **Flexible Work Arrangements and Purpose-Driven Careers:** Flexible work arrangements can allow older workers to transition gradually from full-time to part-time work, giving them more time to spend with loved ones while remaining engaged in the workforce. These arrangements can also allow older workers to pursue passion projects or apply their expertise as consultants, advisors, or entrepreneurs, giving them greater autonomy over when and how they work.
- **Having a Positive Impact on Someone’s Life:** Caregivers can help their loved ones maintain independence and improve their quality of life, which can be as satisfying as succeeding in the workplace.

Challenges for Workers

- **Caregiving Demands and Career Impacts:** Caregivers may need to take time off, work part-time, or accept lower-paying jobs, reducing their potential earnings and ability to save for retirement.
- **Managing Health and Energy Levels:** The physical and emotional toll of caregiving can lead to health problems, affecting caregivers' work and overall well-being. This is particularly true for those caring for older adults living with dementia.

What Can Be Done?

Balancing work and the growing demand for care will require federal and state policymakers and employers to rethink their approach to caregiving— to recognize its essential role in supporting families and the economy.

Offering structured support to caregivers, such as paid leave, can help workers meet care needs without forfeiting income or job stability. For instance, the **Concentric Caregiving Program at Critical Mass** provides up to 40 hours of paid eldercare leave annually, helping them remain productive at work while tending to family care.

Several states also have policies in place to support working caregivers. **Paid family and medical leave laws in states such as California, New York, and Washington provide wage-replacement benefits** for workers who take time off to care for a seriously ill family member, reducing the financial strain and helping caregivers balance employment with caregiving responsibilities.

Policymakers can help by supporting:

- Tax credits or other types of financial support to offset care expenses
- Paid family and sick leave
- Anti-discrimination laws that include caregiving as a protected classification

Employers can also help by supporting:

- Caregiving support programs like employee assistance programs, flexible scheduling options, and backup care services
- Phased retirement programs that allow employees to manage growing caregiving responsibilities
- Telework and telehealth benefits reduce commute times and transportation costs, enabling employees to spend more time at work

As population aging continues to reshape the workforce, caregiving will remain a central feature of working life for millions of Americans. Coordinated action by policymakers and employers to recognize and invest in caregivers will be essential to sustaining a resilient labor force and strong economy in the decades ahead.