

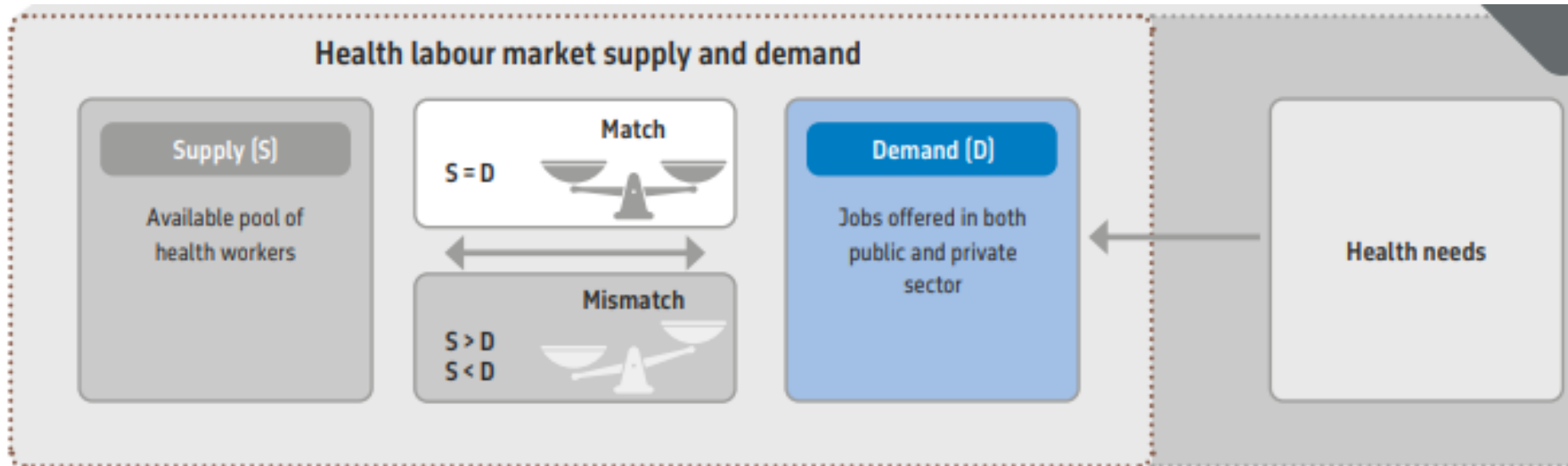


NURSING LABOUR MARKET: SUPPLY, DEMAND, IMBALANCES AND WAGES OF NURSES IN EUROPE

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ESNO Congress, Brussels, 8 June 2023



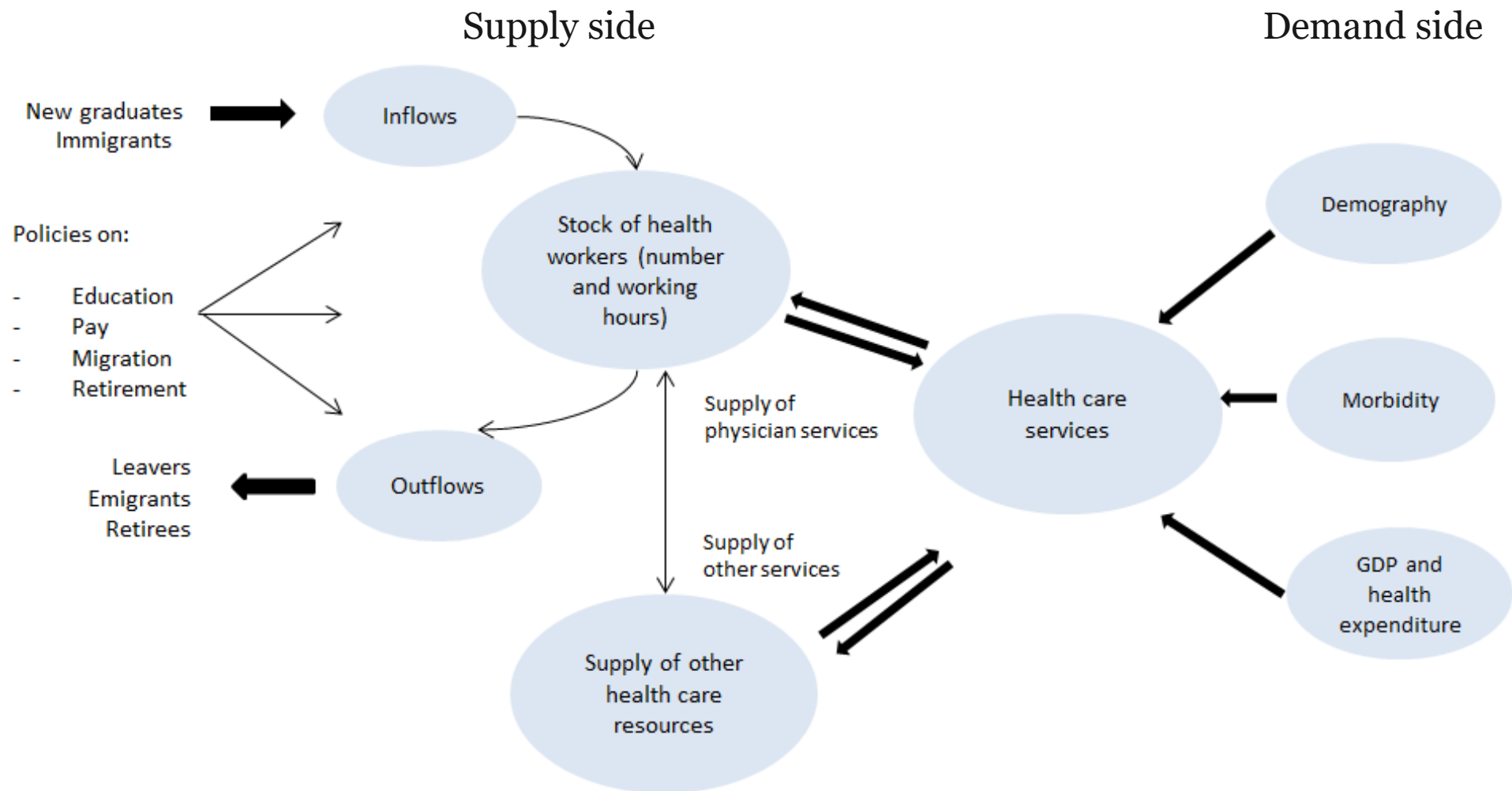
Economics 101: The “law” of supply and demand is key to understand any labour market



Need = Demand = Supply ➡ ideal world!
Need > Demand ➡ deficit (unmet needs ¹⁾)
Demand > Supply ➡ shortage (e.g. unfilled vacancies)
Demand < Supply ➡ surplus (e.g. unemployment/underemployment)



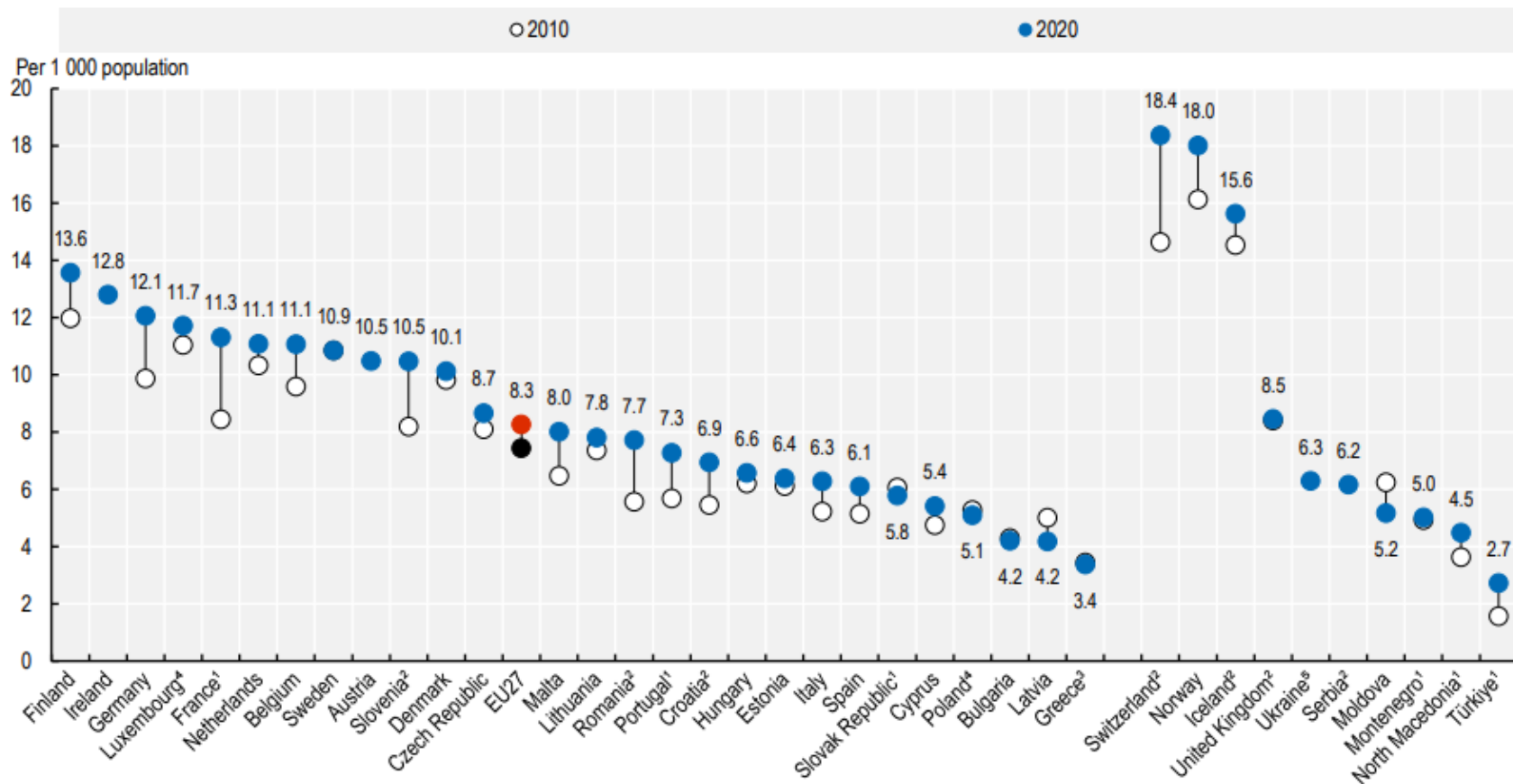
Framework to analyse the supply and demand for health workers





The supply of nurses has increased over the past decade, but if the demand increased even more, shortages might have grown

Figure 7.16. Practising nurses per 1 000 population, 2010 and 2020 (or nearest year)



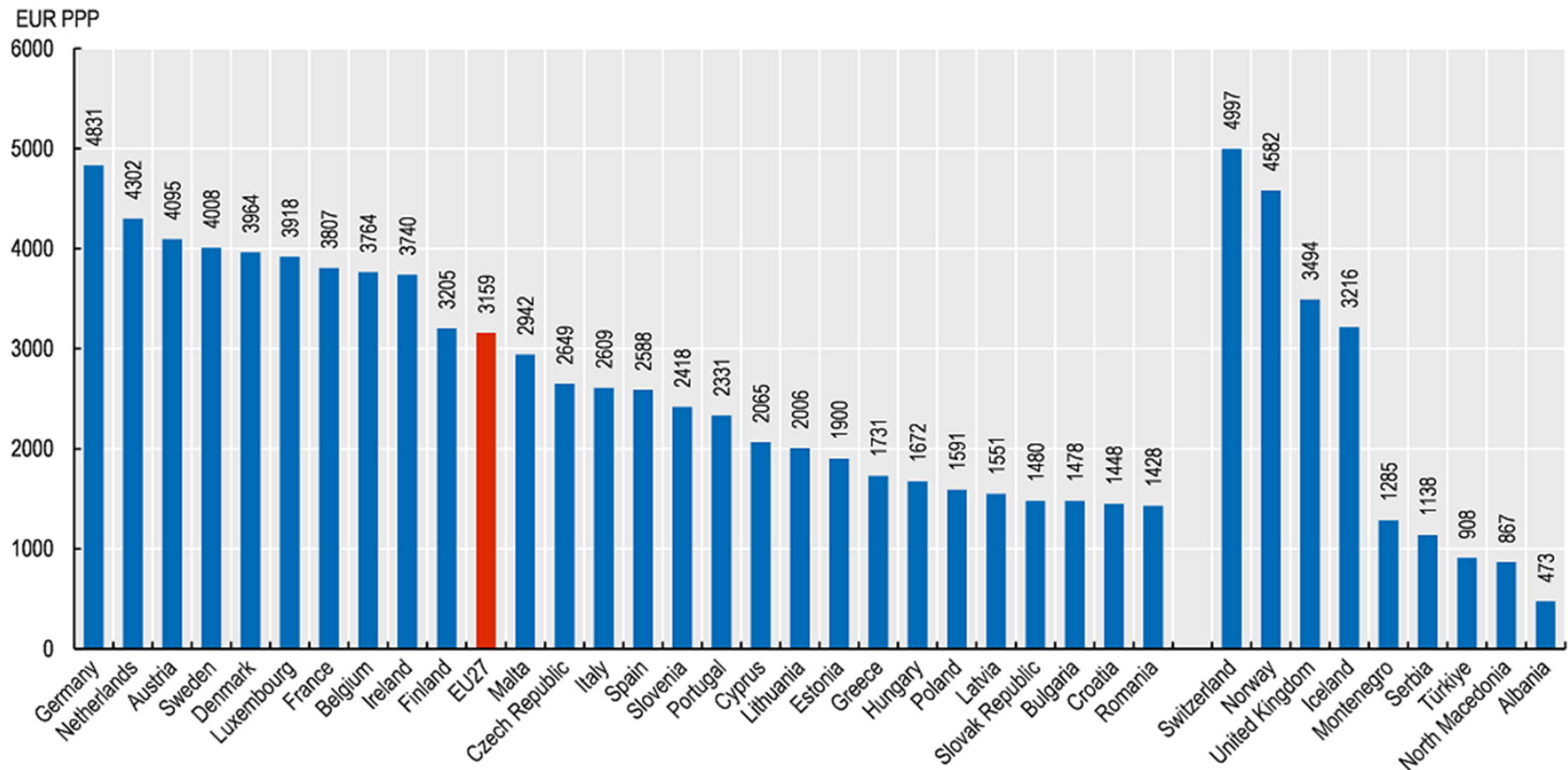
Notes: 1. Data include not only nurses providing direct care to patients, but also those working in the health sector as managers, educators, researchers, etc. 2. Associate professional nurses with a lower level of qualifications make up 70% or more of nurses in Croatia, Romania and Serbia; about 60% in Slovenia; about 33% in Switzerland and Iceland; and about 20% in the United Kingdom. In Switzerland, most of the growth since 2010 has been in this category. 3. Greece reports only nurses employed in hospitals. 4. The latest data refer to 2017 only. 5. The latest data refer to 2014 only.

Source: OECD/EU, Health at a Glance 2022



Health spending is a key factor affecting the demand for health workers and pay rates

- Health spending per person is 3 times higher in some EU countries than others

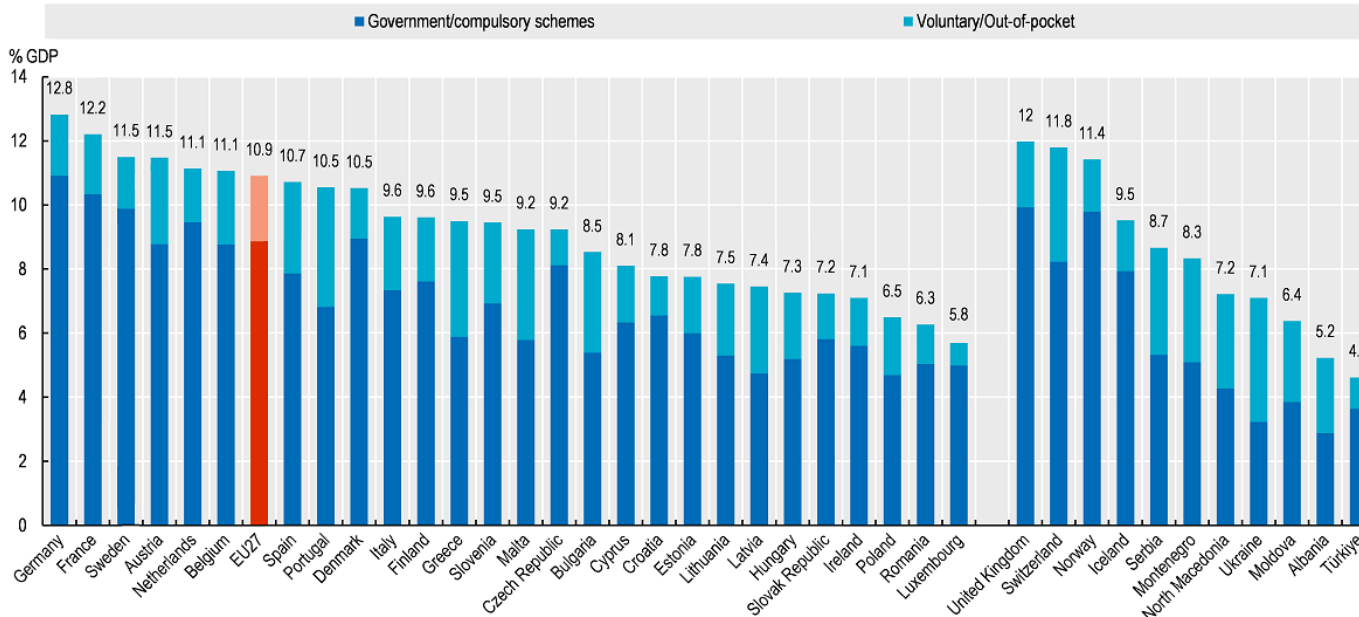


Note: The EU average is weighted. The data relate to 2020.

Source: OECD/EU, Health at a Glance Europe 2022



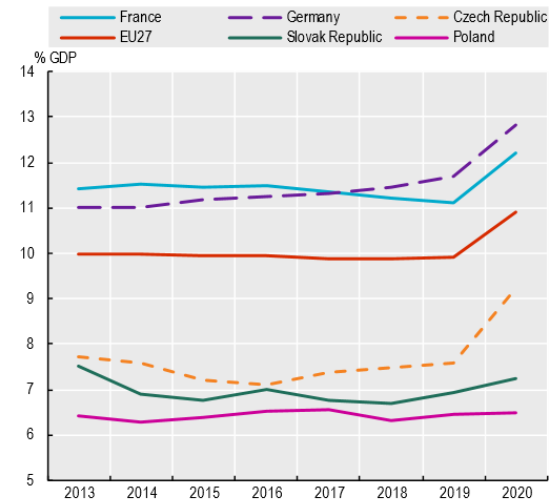
As a share of GDP, health spending reaches over 12% in some countries but only about 6% in others



Note: The EU average is weighted. The data relate to 2020.

Source: OECD/EU, Health at a Glance Europe 2022

- Health spending as a share of GDP increased greatly in 2020 because health spending increased and GDP fell

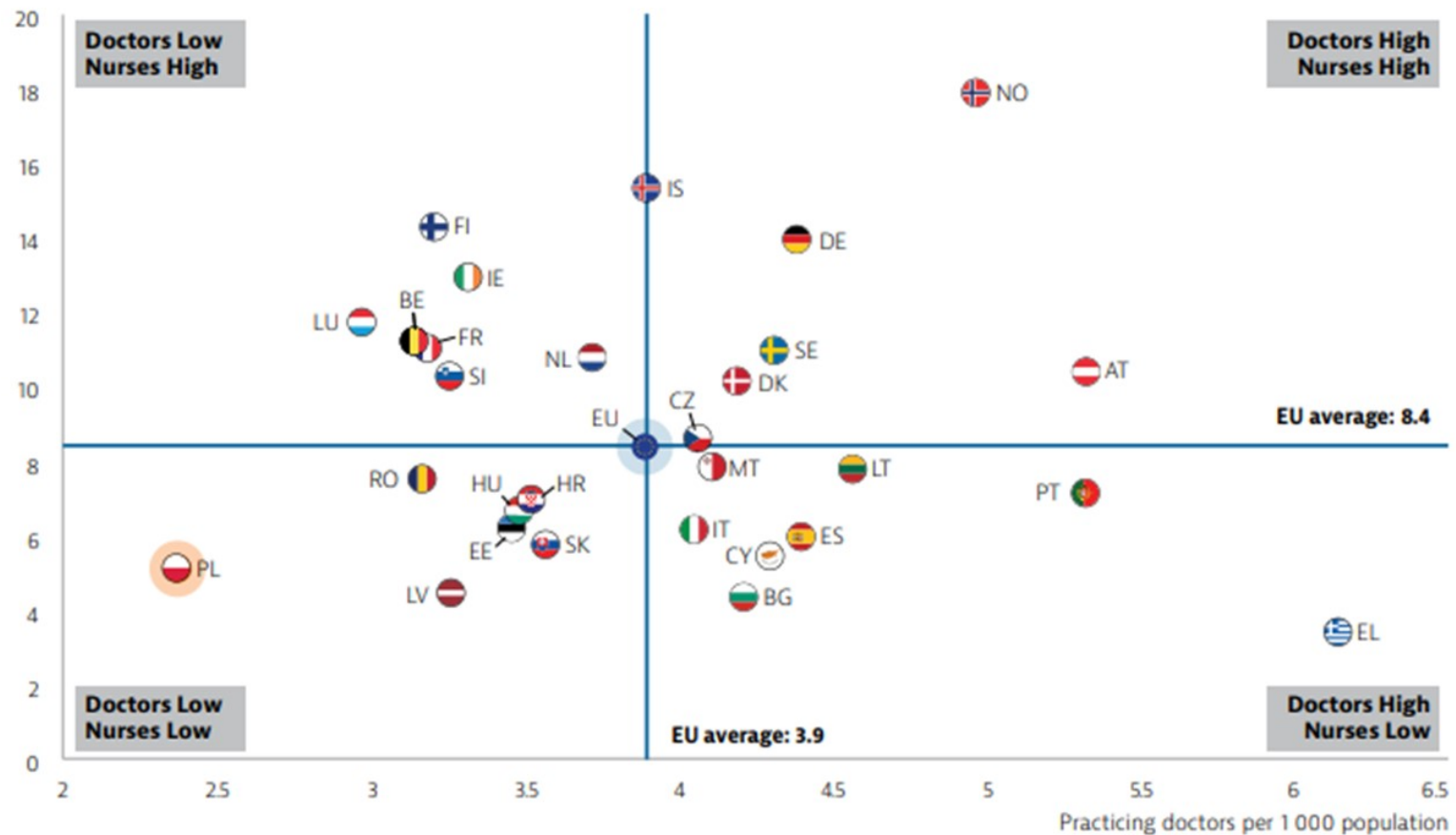




The number of practicing nurses and doctors varies widely in Europe

- East/West divide: Fewer nurses and doctors in the East than the West
- South/North divide: Fewer nurses and more doctors in the South than the North

Practicing nurses per 1 000 population



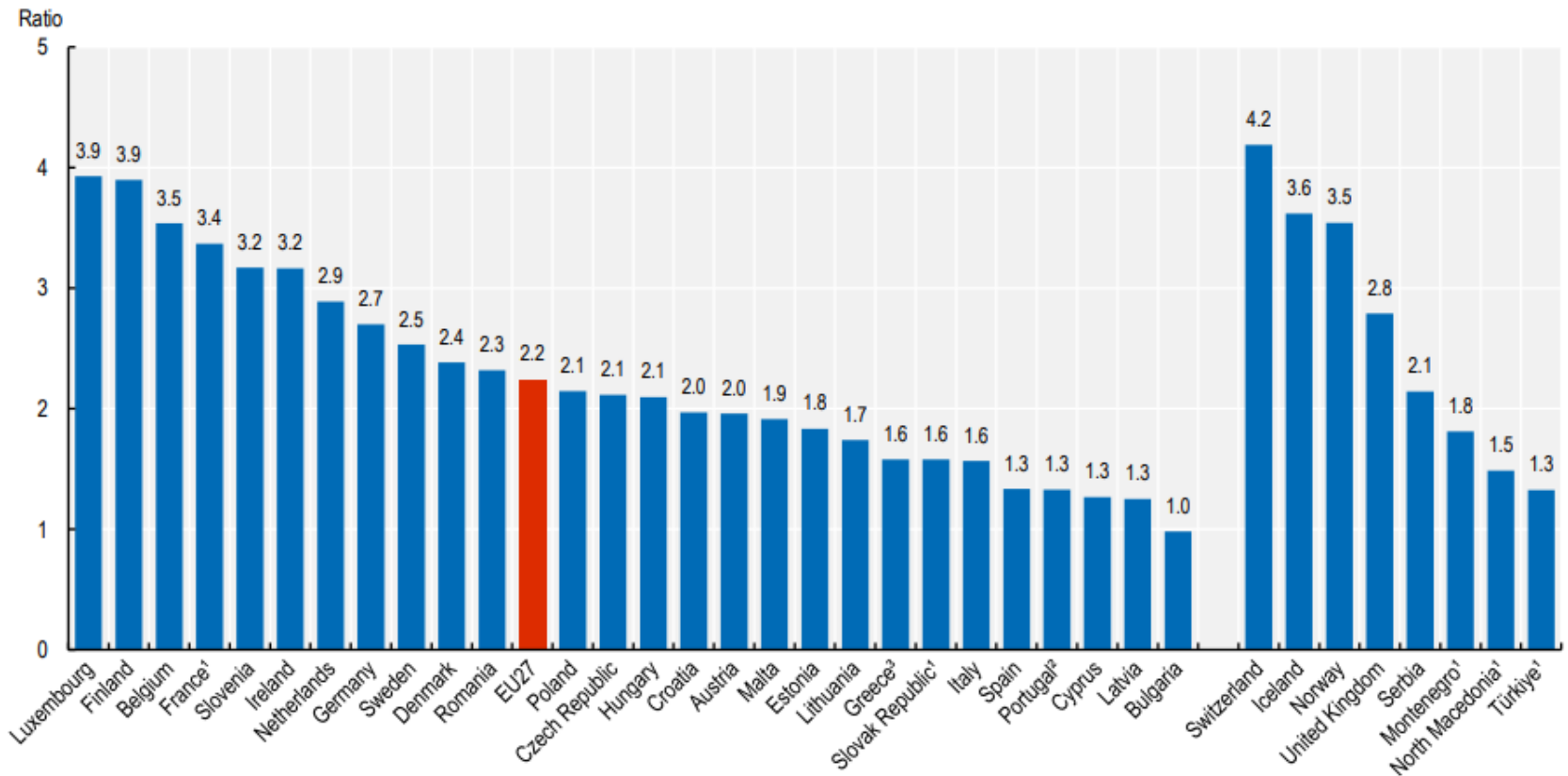
Note: The number of doctors in Greece (EL) and Portugal (PT) is over-estimated as it refers to all doctors licensed to practice.

Source: OECD/European Observatory on Health Systems and Policies, Country Health Profile 2021 (data refer to 2019)



The ratio of nurses per doctor varies from about 4:1 to 1:1

- In theory, countries with greater supply of nurses may offer more task sharing opportunities... but in reality this may not be the case



Note: 1. For countries that have not provided data for practising nurses and/or practising doctors, the numbers relate to “professionally active” nurses and doctors. 2. The ratio for Portugal is underestimated (professionally active nurses/ all doctors licensed to practise). 3. For Greece, the data refer to nurses and doctors employed in hospitals.

Source: OECD/EU, Health at a Glance: Europe 2022.



What cross-country data do we have on nurse specialists and advanced practice nurses?

- Unfortunately not much because roles and titles are not yet sufficiently harmonised in a sufficient number of EU and OECD countries

OECD ad hoc data collection on Nurse Practitioners (NPs)

Country	Year introduced	Total number (2019 or 2020)	NPs as % of all RNs (2019 or 2020)
United States (NP)	1965	325,000 (licensed, not necessarily practicing)	6.5%
Canada (NP)	1967	6,661	2.5%
United Kingdom (Advanced NP)	1983	Not available (because title not regulated)	n/a
Netherlands (NP)	1997	3,672 (2019)	2.0%
Ireland (Advanced NP)	2001	Over 240	0.4%

Sources: Various national sources



Three main policy levers to reduce shortages of certain categories of health workers

1) Increase supply by expanding education and training capacity (increase “inflows”)



2) Increase retention rates by improving working conditions and pay rates (reduce “outflows”)



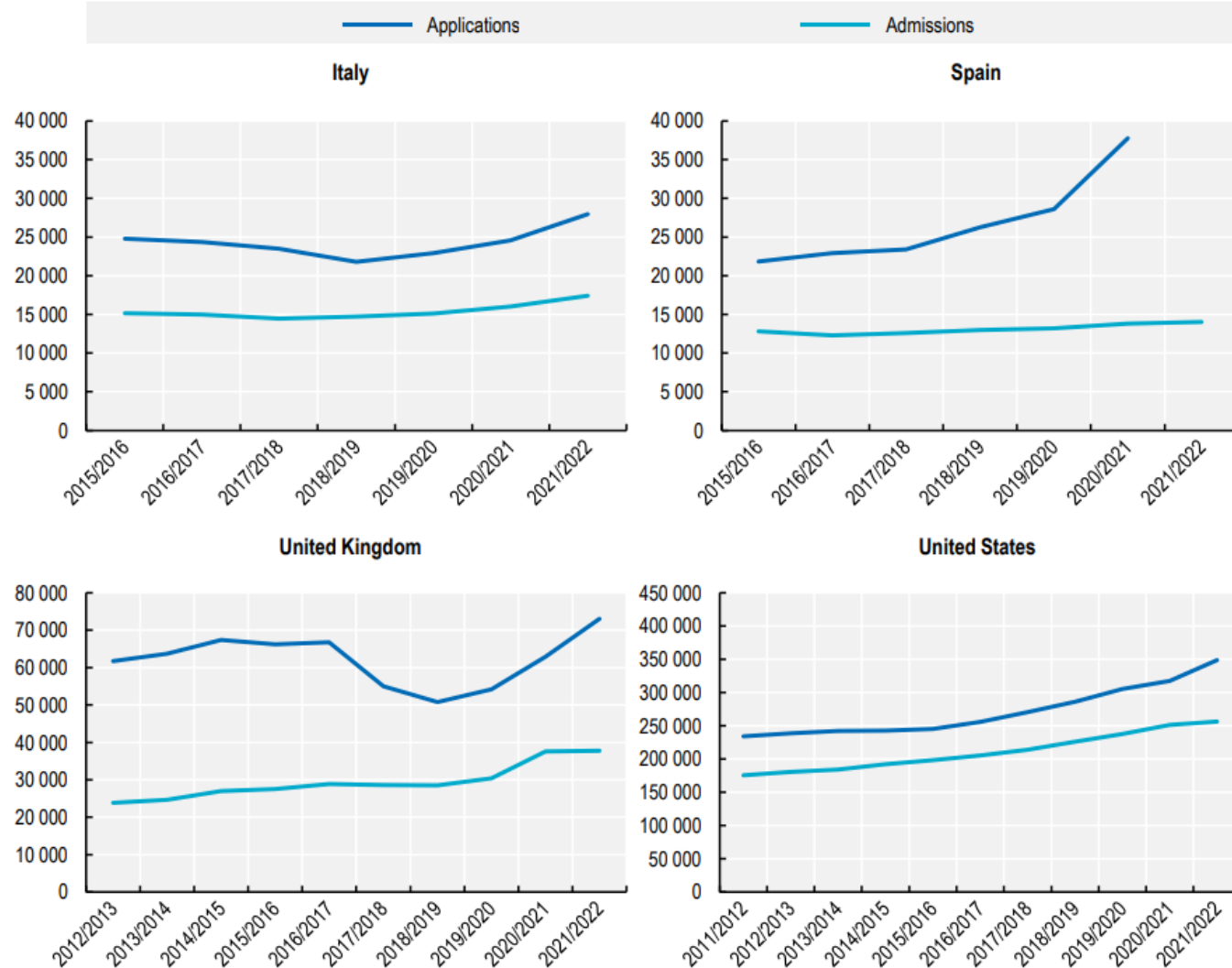
3) Reduce demand for some categories of workers by increasing role/scope of practice of others:

- Substitution of doctors with nurse specialists/ advanced practice nurses
- Substitution of nurses with nursing aids/assistants





1. Many countries have increased the number of students in **nursing education programmes**



Source: OECD (2023), Ready for the next crisis? Investing in health system resilience



2. Financial attractiveness of nurse jobs varies widely across EU countries

Figure 7.18. Remuneration of hospital nurses, ratio to average wage, 2020 (or nearest year)

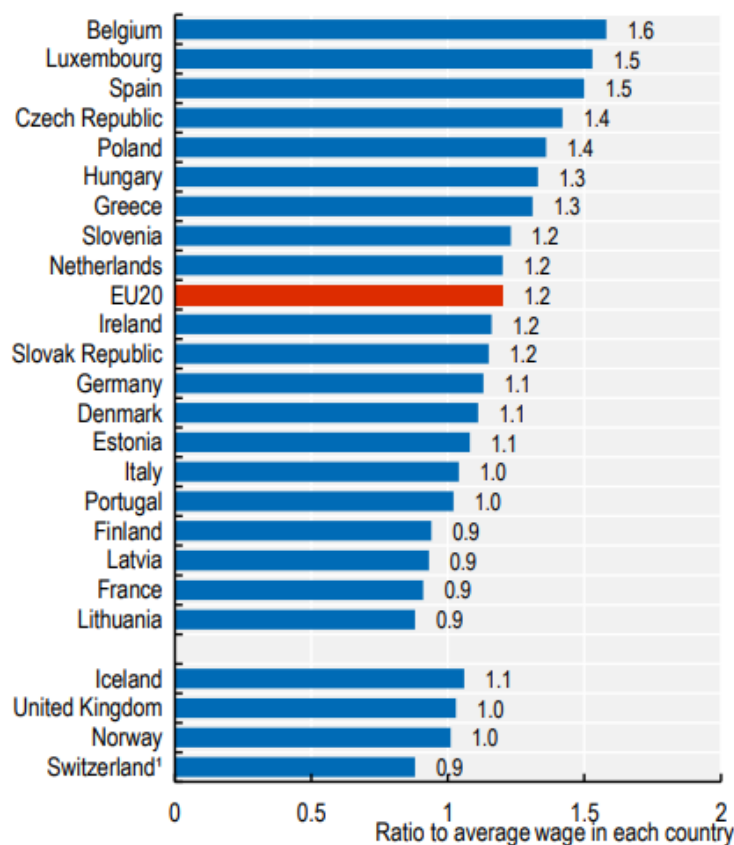
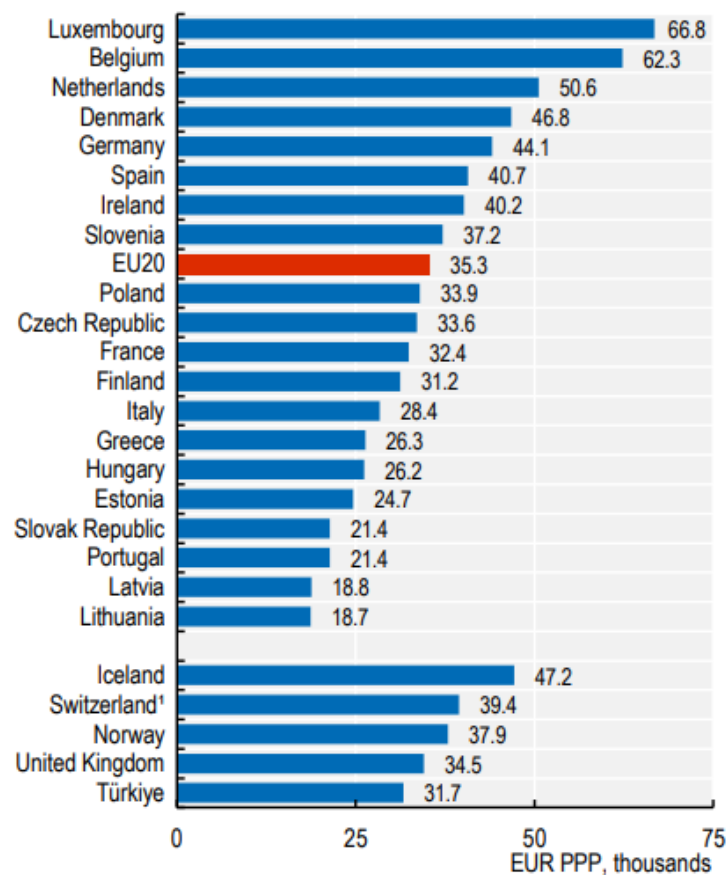


Figure 7.19. Remuneration of hospital nurses, EUR PPP, 2020 (or nearest year)



Note: 1. The data for Switzerland include "associate professional" nurses with lower qualifications and remunerations.

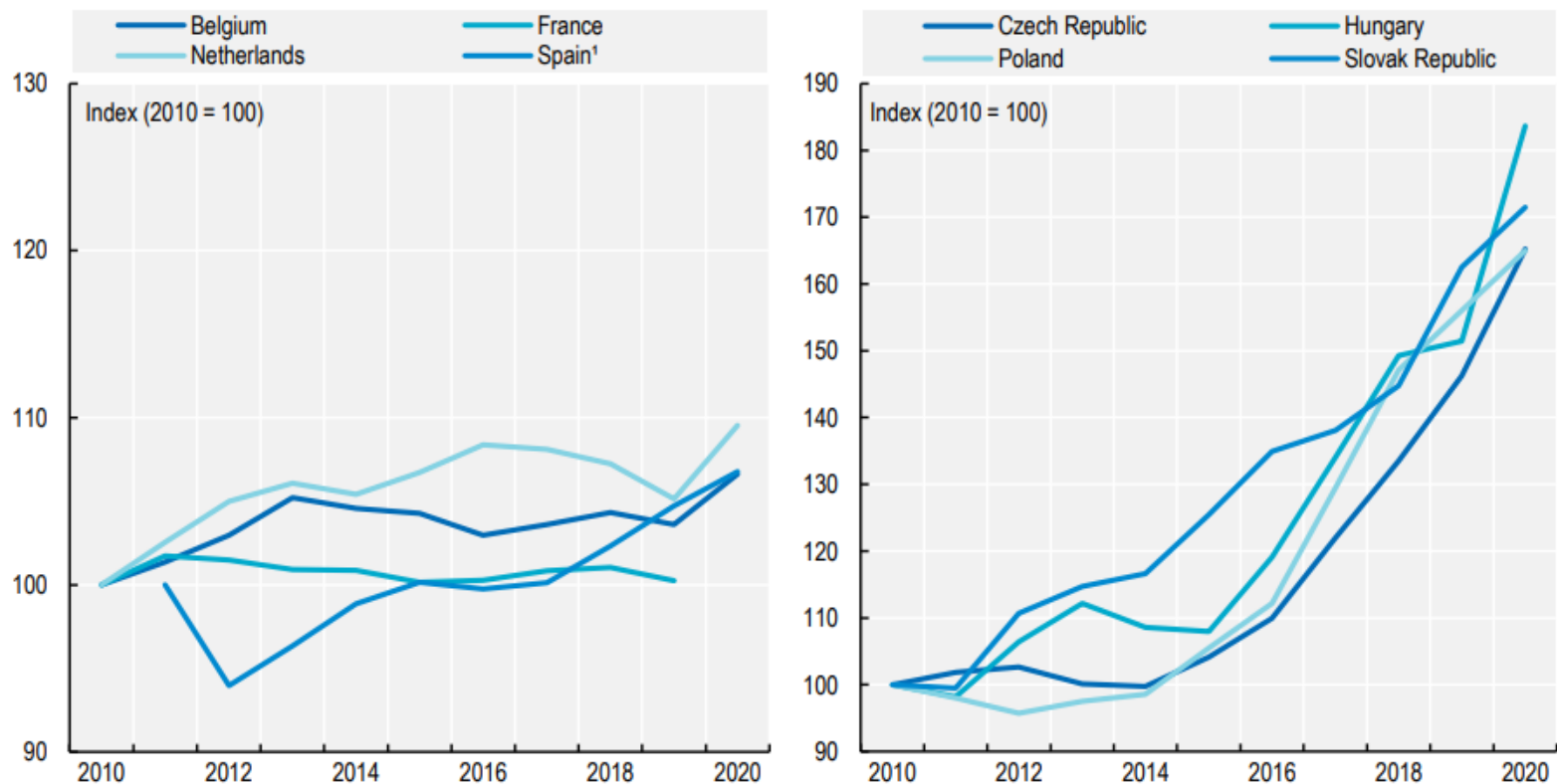
Source: OECD/EU, Health at a Glance 2022



2. Pay rate of nurses has increased slightly in some countries, more substantially in others

- Consistent with the “law” of supply and demand: if there is a nurse shortage, wages should go up to increase supply (and reduce emigration) while reducing demand

Figure 7.20. Trends in remuneration of hospital nurses (in real terms), selected EU countries, 2010-20



1. Index for Spain, 2011 = 100.



3. Recent developments in advanced practice nursing

- Previous OECD work on advanced roles for nurses in 2010 and 2017 concluded that:



Nurses can perform many new roles and tasks **without any negative impact on quality of care or patient safety**



Cost savings may be achieved if new tasks for nurses **substitute** for tasks previously done by doctors and if there are significant differences in pay rate

- OECD has undertaken new work on recent developments in role/scope of practice of nurses in primary care:
 - Recent **developments during and after the pandemic**
 - Any recent **evaluation** of impact on access, quality and cost



For more information...



Website: <http://www.oecd.org/health/health-at-a-glance-europe/> or https://ec.europa.eu/health/state/glance_en

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