

The Hidden Workforce: Employment and Health Impacts of Informal Caregiving in Slovenia

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Abstract. As populations continue to age and the prevalence of chronic diseases rises, healthcare systems face increasing demands that extend beyond institutional care. While formal care services play a crucial role in supporting older and vulnerable individuals, informal caregivers—family members, friends, and neighbours providing unpaid assistance—have become essential in bridging the gap between the demand for care and the capacity of formal healthcare providers. Informal caregiving is a cornerstone of health and social care systems in Europe, providing both activities of daily living (ADL) (e.g., toileting, feeding, bathing) and instrumental activities of daily living (IADL) (e.g., shopping, meal preparation, financial management) to individuals with chronic illnesses or disabilities (Roth, Fredman, & Haley, 2015; Van den Berg & Spauwen, 2006).

Despite its importance, informal caregiving entails significant costs for both caregivers and society. These costs include direct expenses related to care and, more critically, the opportunity cost of lost income and employment disruptions for caregivers. Estimates of the social costs of informal care remain scarce; for instance, Sweden's informal care sector is valued at approximately EUR 14.5 billion annually, equivalent to 3% of GDP. Furthermore, while informal caregiving is often associated with stress and negative health outcomes, some studies suggest potential benefits, such as increased longevity among caregivers. In Slovenia, the social cost of informal caregiving remains largely unexamined, although prior studies suggest it may be comparable to other countries with similar institutional framework.

This paper investigates the employment status, demographic characteristics, and health outcomes of informal caregivers in Slovenia. Using data from the Workability Questionnaire, conducted in February 2025 with a representative sample of 1,000 individuals aged 25–75 years, we analyse how caregiving correlates with employment patterns and caregivers' own health issues. Through statistical testing, we compare informal caregivers with non-caregivers to identify potential disparities in labour market participation and health status.

This study contributes to the economic and policy discourse by offering new insights into the demographic and employment characteristics of informal caregivers in Slovenia. Additionally, it provides empirical evidence necessary for estimating the societal costs of informal care, which is crucial for integrating informal care into economic evaluations of health and social care programs. However, the study has some limitations. First, the cross-sectional nature of the data prevents causal inference regarding the relationship between caregiving and employment or health outcomes. Second, we are aware that the self-reported nature of the Workability Questionnaire may introduce response biases, particularly regarding health status and caregiving intensity.

Keywords: informal care, employment, health status, societal costs, Slovenia

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