

HUMAN RESOURCES FOR HEALTH: INTRODUCTION TO HEALTH LABOUR MARKET ANALYSIS

This fact sheet gives information on the Health Labour Market approach and on the factors that influence the need, demand for and supply of health workers.

The issue

There is a worldwide need for more health workers, and the need is expected to grow rapidly. The World Health Organization (WHO) has calculated that by 2030, it will be necessary to create around 40 million new health and social care jobs in order to meet the world's health needs. At the same time, a gap of 18 million health workers is expected globally, especially in low- and middle-income countries (LMIC) where resources are scarce.

The reasons vary between low-, middle- and high-income countries.

In many countries, there is a huge disconnect between:

- ▶ **The need:** the number of health workers needed to provide healthcare to everyone;
- ▶ **The demand:** the number of jobs a country's government can create with the budget and funds it has;
- ▶ **The supply:** the number of trained health workers in the country that can potentially be recruited.

According to the *Global Strategy on Human Resources for Health: Workforce 2030 (GSHRH)*: 'in the African region the **needs-based shortage** is actually forecast to worsen between 2013 and 2030 (shortfall of 4.2 million in 2013 to 6.1 million in 2030), if current trends of health worker production and employment are extrapolated'.

Health worker needs are based on the threshold as agreed in the Sustainable Development Goals (SDG) agenda: a minimum of **4.45 health workers per 1,000** inhabitants is needed in order to organize the health services that the SDG agenda requires. This only includes physicians, nurses and midwives. Earlier, the 2006 World Health Report set the need on 2.3 physicians, nurses and midwives per 1,000 population. 36 African countries still do not meet this lower threshold, including Kenya, Malawi, Tanzania, Uganda and Zambia.¹

In fact, in many countries the human resources for health (HRH) crisis has only deepened. For example, in **Malawi** staff shortages have remained critical, despite an emergency human resources programme (2004-2010). This programme used international funding for salary top-ups and training and led to a 53% increase in the number of health workers. But the population is growing faster than the number of health workers: there were 1.99 physicians per 100,000 inhabitants in 2009 versus 1.79 in 2016.

In many LMICs, the main problem is not a shortage of graduated, qualified health personnel, but the lack of new jobs. The so-called absorptive capacity of the government health sector means it cannot recruit enough health workers to meet the population's health needs.

¹ The African Regional Framework for the implementation of the global strategy on human resources for health: [Workforce 2030](#).

Health Labour Market approach

The demand and supply of workers in the health and social sector is influenced by many factors across sectors in any country. A Health Labour Market Analysis is a useful approach to **identify labour market and public policy failures**. It also helps to determine corrective policies and plans.

Traditionally, analyses of human resources for health have been framed as a supply crisis, to be answered with *'training more'*. The use of a labour market approach permits a **greater insight into key factors** that affect need, demand and supply of health workers. This approach contributes to a better understanding of key issues such as the role of incentives, productivity, and (re-)distribution of health workers. It is necessary to understand and take into account the diverse and dynamic aspects of the health labour market to be able to develop effective health workforce plans and policies.

A health labour market analysis can answer questions such as:

- ▶ What does the composition of the health workforce look like?
- ▶ What are the current and projected need, demand for and supply of health workers?
- ▶ What motivates health workers to enter and remain in the health labour market?
- ▶ Is financing of the health workforce sustainable?
- ▶ Can resources for the health workforce be used more efficiently?

Answering these questions requires **quality data and evidence** on country health workforce characteristics and trends (demographics, skills, distribution, education, employment), health gaps and needs, economic prospects, and policy dialogue.

Especially in LMIC it is essential to invest in upgrading existing jobs, ensuring decent working conditions and stimulating the creation of new jobs. Within this context, a labour market approach can also **guide strategies and interventions** to optimize investment in the health workforce.