



# Suggestions on the Development of China's Elderly Care Industries Based on the Experience of Switzerland

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## Abstract

Compared to 2022, the number of elderly in 2023 has risen, indicating an aging tendency in China. This poses a challenge to the existing elderly care system and policies, necessitating reforms and adjustments. This study is based on the literature study of the elderly care industry in Switzerland and China. The comparative analysis is carried out to explore the factors restricting the development of the elderly care industry in China. Combined with the actual situation of China and the excellent experience of Switzerland, this paper puts forward some policy suggestions for the elderly care industry in China. The Swiss elderly care industry's emphasis on the security system, government support, services, information technology, and talent training has propelled it to a world-leading position. Drawing from Switzerland's successful experience, China can enhance its retirement pension system, boost government support and oversight, elevate the quality of elderly care services, advance information-sharing technology, train professionals, and more. These efforts aim to foster the sustainable growth of China's elderly care sector and mitigate the challenges posed by an aging population.

## Keywords

Elderly care industry, advantages, constraints, learning the Swiss experience

## 1. Introduction

The proportion of elderly people in China has been rising year by year, and by the end of 2023, the proportion of people aged 60 and above had reached 21.1 percent, an increase of 1.2 percentage points over 2022. At the same time, the proportion of people aged 65 and above also increased to 15.4%, an increase of 0.5 percentage points. It is expected that China will face a more severe aging trend in the next 10-20 years, and the market demand for elderly care services will expand rapidly. It is predicted that by 2053, the output value of China's pension industry will exceed 106 trillion yuan (Wang et al., 2023). These statistics show that China's aging problem is becoming increasingly serious, which could have a major impact on the goal of achieving socialist modernization by 2035.

### 1.1 Research background and significance

With China's aging population, this issue has gained wide attention, despite measures taken by the government. Switzerland is globally recognized for its retirement suitability, primarily due to its comprehensive elderly care system, insurance framework, care services, and advanced smart solutions. This paper explores the Swiss elderly care industry's features and advantages, compares it with China's current pension sector, and identifies key challenges. Drawing

from Switzerland's experiences, the study offers targeted recommendations for enhancing social pension services and optimizing the overall pension system in China.

## **1.2 Research methodology**

### **1.2.1 Document analysis method**

This article mainly collects information on the development of elderly care industries in Switzerland and China through library resources, CNKI, VIP, Wanfang, Google Scholar search, Science Direct, and Springer, then classifies and summarizes these documents, and forms a foundation for learning the Swiss experience.

### **1.2.2 Contrast analysis method**

By comparing and analyzing the development of the elderly care industry between Switzerland and China, this paper summarizes what needs to be improved in China's elderly care problems and the experience that we can learn from Switzerland and puts forward relevant policy recommendations.

## **2. Advantages of The Swiss Elderly Care Industry**

### **2.1 Characteristics of pension mode**

Swiss pension methods mainly include institutional pension, home-based pension, community pension, and "time bank" pension. This paper mainly introduces the advantages of the Swiss pension mode compared with China.

#### **2.1.1 Daycare institutions**

Daycare institutions play a significant role in Swiss institutions. These institutions transport the elderly to a nursing home at 9 am and return them home at 4 pm. Daycare institutions offer various services such as meals, personal care, healthcare, rehabilitation, leisure, and entertainment to semi-disabled elderly individuals who cannot fully care for themselves and require some assistance in their daily lives. This mode not only provides comprehensive care for the elderly but also enables them to continue living in a familiar environment and enhances their sense of belonging. The nursing home is the most typical daycare institution, serving as a supplement to home care, providing comprehensive services to elderly individuals who require long-term care.

Taking the Manchun Nursing Home in Geneva, Switzerland as an example, it has 72 rooms, each equipped with a balcony for elderly residents to participate in leisure activities. The rooms can be designed according to the preferences of the elderly, including furniture and wall colors. Activities provided include painting, crafts, fitness, singing, watching movies, etc. The relevant departments strictly manage the nutritional and safety of the elderly's meals, and the Swiss government provides subsidies or rewards to nursing catering companies every year based on service quality, ensuring the health of the elderly's diet. Nutritionists pay attention to low salt, low calories, and balanced nutrition, and change the menu daily. Elderly people can choose whether to live there freely.

#### **2.1.2 Home service**

Switzerland has established an "Internet + Family" button system to solve the daily meal problems of elderly people using Internet technology, providing 24-hour ordering, payment, and delivery services. Specifically, local governments install a free "cloud computing" meal ordering system in the elderly's homes, which is integrated into a palm-sized keyboard that is easy to install in places that are easy for the elderly to reach and comes with detailed meal ordering instructions. Once the elderly person has selected the food they want to eat and pressed the "confirm" button, personnel from nearby elderly care delivery services will deliver hot meals to their home within 20 minutes.

The Swiss government has introduced SPITEX, a non-profit public service for elderly individuals living at home. SPITEX, which stands for "care and elderly housing outside hospitals," receives financial support from the government. This service offers medical support, including assistance with daily activities, blood pressure and blood sugar measurements, and health advice. SPITEX also provides home services to help the elderly maintain their independence, such as assistance with daily errands, meal preparation, housecleaning, and laundry.

In addition, public hospitals provide one-stop service for elderly patients with specific needs, such as those who are sick, require post-surgery care, or have chronic diseases. This service, provided by the IMAD system, is exclusive to elderly individuals eligible for home care. Evaluation personnel adapt the home environment, install equipment, distribute smart wristbands, and conduct regular health assessments. They also provide necessary medical care services, including basic nursing, prevention, nursing knowledge and skills training, treatment, and palliative care. This integrated approach enhances the elderly's quality of life by providing professional care in a familiar setting.

### 2.1.3 Comprehensive community pension

In Switzerland, there are eight different types of housing for the elderly, including Altersheim, Pflegeheim, Pflegezentrum, Seniorenzentrum, Alterszentrum, Seniorenresidenz, Alterswohnung and Alterspsychiatrie. The main difference among these types is the self-care ability of the elderly.

Among them, the type of facility that ends with "zentrum" and "heim" is roughly equivalent to a nursing home in our country, providing services similar to those of a partial nursing home and a hotel-style apartment complex. These facilities not only meet the basic living needs of the elderly but also pay attention to their spiritual needs, such as socializing and entertainment.

A practical example is the Siedlung Frieden, a complex outlined by pool Architekten that intertwines elderly housing with a kindergarten and children's playground. While the unit design may not be extraordinary, this mixed-use model holds valuable lessons for China, as it fosters interaction between the elderly and young families, thus facilitating intergenerational integration.

### 2.1.4 "Time bank" pension

Compared with the traditional Chinese mode of home care, which relies on the care of children or spouses, the Swiss way of elderly care shows its unique features. Switzerland's home-based care mode emphasizes the independent living ability of the elderly, which reflects the country's respect and care for the elderly, and also reflects the society's rational thinking and rigorous attitude towards the elderly.

More and more elderly people choose home-based pensions, and an important driving factor behind this phenomenon is the popularity of the "time bank" mode. This mode encourages young people and healthy younger people over 60 to take care of older people over 80 who need help because the health status of the elderly population becomes worse with the increase of age, and the proportion of those who cannot take care of themselves increases significantly after 80 years old. Their service hours are recorded in detail and deposited into personal accounts in the social security system (Tong, 2016).

The operation of a "time bank" is very straightforward. It accumulates and records individual's service hours in units of hours, with a current maximum limit of 750 hours. When individuals need care in the future, they can withdraw corresponding hours from their own "time bank" account. If necessary, the "time bank" may also dispatch volunteers to provide services. For those who have deposited time but ultimately did not use it, the "time bank" will provide corresponding rewards. For example, if an elderly person moves to a nursing home or other medical institution and cannot enjoy the services of the "time bank", their time is not wasted. On the contrary, the "time bank" will convert their service time into a certain amount of money or material rewards and return them to them.

The advantages of "time banking" include:

- a) Making older people feel loved and respected and leading to a more decent and fulfilling life.
- b) Emphasizing mutual assistance and cooperation among community members.
- c) Improving the social status of the elderly.

## 2.2 Technological innovation supports elderly care

Switzerland has started to apply cloud technology to elderly care services. They set up "cloud" accounts for each elderly person and deposit all the information related to the elderly in the "cloud". These data help doctors quickly and comprehensively understand the information of the elderly and improve the efficiency of medical treatment (Jean, 2015). In addition to the above "Internet + Family" button system, Switzerland launched a pension technology platform in October 2015. The platform provides a one-stop resource center, covering a full range of information in the pension field in Switzerland.

The platform offers access to the latest Swiss nursing home technology and home service information for the elderly. It provides case studies on various elderly-related issues, including fall prevention solutions. Users can search for pension products and compare prices, features, and advantages. This comprehensive platform aims to improve the quality of life for the elderly and relieve the burden on families and caregivers.

## 3. The Constraints of The Development of China's Elderly Care Industry

### 3.1 The development of the elderly care industry is unbalanced

The aging development of our country is unbalanced, including the difference between urban and rural areas and the difference between eastern and western regions. The aging of population in the eastern and central regions is higher than that in the western regions (Liu, 2022). The allocation of elderly care resources between urban and rural areas

and between regions is obviously unreasonable, with relatively abundant resources in urban areas and relatively insufficient resources in rural areas and the central and western regions. The restriction of the level of economic development and the concept of elderly consumption make the investment in elderly care insufficient in some areas, the quality of service is limited, and the development of the industry is hindered.

### **3.2 The concept of elderly care service is backward**

The backwardness of the elderly service concept is mainly reflected in two aspects. On the one hand, some functional departments are still affected by the traditional family nursing concept, and lack of awareness of the urgency and importance of socialized elderly care services, and a lack of policy support and guidance. On the other hand, affected by the traditional concept of "supporting children", some elderly people and their children are difficult to accept socialized elderly care services, which limits their development.

### **3.3 Lack of standardized personnel training**

The current situation of elderly care services in China faces multiple challenges. Firstly, the elderly care industry fails to recognize the importance of professional personnel training, leading to a shortage of professionals. Secondly, talent training institutions, including colleges and universities, lack relevant majors and courses, and professional teaching materials and institutions are also scarce. Thirdly, the government lacks strong support for the training of social pension service personnel, with no relevant policies, sound training systems, or investments in professional training. Consequently, the development of socialized pension service talents in China lags significantly behind.

### **3.4 Imperfect policy**

Xing (2014) pointed out that the accelerated growth of demand for elderly care services has led to a shortage of quality public institutions. More worryingly, 80% of communities have yet to establish home care services, leading to a shortage of aged care services. Problems such as service quality, fee standards, and shortage of funds have affected the quality of life of the elderly and hindered the development of private pension institutions. Imperfect regulation, lack of uniform mechanisms, and industry standards also limit the development of the industry.

Additionally, China has implemented a family planning policy since the 1970s to control population growth, which has successfully reduced population growth but also led to a sharp decline in the fertility rate. The total fertility rate fell to 1.69 in 2019, below the 2.1 needed to maintain a balanced population. At the same time, medical advances have extended life expectancy and increased the proportion of the elderly population.

### **3.5 The elderly care system coverage is narrow**

Endowment insurance, as an important part of China's social security system, aims at providing basic living security for the elderly after retirement. Currently, China's pension insurance system mainly covers public sector employees such as state organs, state-owned enterprises, and collective enterprises, in order to ensure their basic life after retirement. However, other members of society such as private enterprise employees, self-employed workers, and migrant workers are often not included in the system and their pension protection needs are not met. This part of the population accounts for a relatively large part of the society, and its pension problem needs urgent attention.

### **3.6 Lack of innovation in elderly care technology**

With the increase in the elderly population, the elderly demand for intelligent pensions continues to grow, showing a multi-level, multi-type, personalized trend. In order to meet these needs, we must accurately and comprehensively analyze the information needs of the elderly, and constantly innovate and develop intelligent elderly care technology or information system products. However, the lack of investment in pension technology in China has led to weak scientific and technological innovation ability, serious homogenization of pension products in the market, and a lack of differentiated competition. These issues limit the growth of the elderly care industry and can negatively impact the quality of life of the elderly.

## **4. How to Learn the Swiss Experience**

### **4.1 Building elderly care communities**

Community is the basis of urban life, especially in the aging society, and the comprehensive community becomes particularly important. These communities provide services such as elderly care, health care, recreation, and learning,

including facilities such as hospitals, rehabilitation centers, apartments, and nursing homes. The hospital provides medical services and health lectures, the rehabilitation center focuses on rehabilitation and health care for the elderly, the apartment provides a comfortable and safe living environment, and the nursing home provides a full range of material and spiritual services for the elderly. Together, these facilities and services form an integrated community that meets the diverse needs of residents.

## **4.2 Improving home-based elderly care services**

Although home-based elderly care services in China have made progress in recent years, they still face many challenges. With the improvement of the quality of life, the elderly have an increasing demand for home care services, especially in the aspects of health management and psychological care. However, services are currently in short supply and the professional standards of some institutions and personnel need to be improved. In order to promote the sustainable development of family nursing services, the government should increase policy support, improve the policy system, and increase investment to improve the level of service supply. At the same time, improve the professional quality of service personnel, and learn from the Swiss experience to establish a reward and punishment system. Pay attention to the mental health of the elderly, and provide mental health services such as mental comfort and recreational activities. And learn the "time bank" mode, encourage all strata of society to participate in-home care services, promote the "home-based pension + community pension", and provide familiar community services for the elderly.

## **4.3 Developing a shared elderly care mode**

### **4.3.1 Emergency response and elderly care product recommendations**

Use the information platform to respond quickly to emergencies and recommend elderly care products. This platform can be widely used in many fields. For example, big data is used to analyze the preferences of the elderly, provide priority food choices when ordering meals, and automatically screen quality dining establishments to ensure food quality meets taste needs.

### **4.3.2 Improving service quality in combination with medical policies**

Combined with China's ongoing medical integration policy, the shared elderly care model can further improve the quality of elderly care services. The information platform provides personalized health management services for the elderly, such as regular physical examinations, chronic disease management, rehabilitation training, etc. The elderly can also enjoy online medical consultation and telemedicine services and access to professional medical resources.

### **4.3.3 Spiritual and cultural life**

The shared elderly care platform pushes movies and reading materials suitable for the elderly, and even organizes online university courses to meet their spiritual needs. The social function of the platform allows the elderly to exchange experiences with their peers, alleviate loneliness, and improve the quality of life.

### **4.3.4 Promoting sustainable development**

Encourage social capital to invest in the elderly care industry, learn from the successful experience of Switzerland, introduce insurance, finance, and other industries to participate in the development of the shared elderly care model, and form a diversified elderly care service system.

## **4.4 Strengthening government support and supervision**

China urgently needs relevant policy support to solve the current dilemma of elderly care services. First, the government should strengthen its support for private medical institutions by providing policies, financial subsidies, and simplified procedures to stimulate their vitality and improve service quality. Secondly, it is necessary to improve the treatment of elderly nursing staff, attract outstanding talents to join and improve the quality of service and the quality of life of the elderly. Finally, regulatory mechanisms and industry standards should be established to regulate the behavior of elderly care service institutions, protect the rights and interests of the elderly, and promote the healthy development of the elderly care service industry.

## **5. Conclusion**

Under the background of population aging, the development of the elderly care industry has become the focus of

attention. Although China has made efforts in policy, service, science, and technology, it still faces problems such as unbalanced development, the backward concept of old-age service, insufficient training of standardized talents and policy support, limited coverage of the elderly care system, and insufficient technological innovation. Switzerland has made remarkable achievements in the field of elderly care, and our country can appropriately learn from the excellent experience of Switzerland and improve it, so as to better promote the development of our elderly care industry.

This paper puts forward some policy suggestions on the retirement pension system, government support and supervision, pension services, information sharing technology, personnel training, and other aspects, but the analysis of China's elderly care industry is not comprehensive, lacks specific suggestions, so future research needs further in-depth discussion.

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