

Intelligence MEMOS



From: Don Drummond and Duncan Sinclair
To: Canada's Ministers of Health
Date: November 10, 2022
Re: **TROUBLES IN CANADA'S HEALTH WORKFORCE: WHAT THE DATA ARE SAYING**

Media reports abound with accounts of severe shortages of healthcare workers leading to cries of crisis, even collapse of the system, as Canadians suffer through long wait times for almost every facet of care, closed emergency departments and delayed surgeries.

We attempted to better understand the nature and causes of the shortages in our new C.D. Howe Institute [Commentary](#) using publicly available data, most from the Canadian Institute for Health Information and Statistics Canada. In analyzing the data, we followed the many leads from media reports and suggestions from stakeholders in the health sector. Here we report on the findings regarding several observations and suggestions we encountered.

1. There are a lot of job vacancies in the health sector, and they are difficult to fill. TRUE.

In the second quarter of 2022, the job vacancy rate was 5.8 percent in the health sector, up from 3.3 percent in mid-2019. This is not especially noteworthy, however, as it was slightly below the vacancy rate of 5.9 percent for all occupations across Canada suggesting a tight labour market in general. The vacancy rate for nursing and residential care facilities (which covers nurses and Personal Support Workers) was higher at 6.8 percent, having more than doubled since prior to COVID-19. More than half those vacancies had been unfilled for 90 days or more, suggesting these positions are proving to be difficult to fill.

2. Many Canadians are without a regular primary care provider. TRUE.

In 2021, 14.5 percent of Canadians aged 12 and over were without a primary care provider. The same percentage was found in a 2019 survey, indicating this problem pre-dates the pandemic.

3. Health workers are leaving the sector. FALSE.

Anecdotally there is an exodus. But employment in healthcare grew at an annualized rate of 2.8 percent from December 2019 to July 2022, more than 3 times the pace of population growth. Employment growth in nursing and residential care was more modest at 1.2 percent. The number of regulated physicians and nurses grew at an annual pace of 1.4 percent 2019 to 2021. Further, the percentage of regulated nurses in the workforce (meaning they are doing work aligned with their education and training) remained around 90 percent 2016 to 2021.

4. Health sector workers are working fewer hours. FALSE.

There has been a slight trend from 2016 to 2021 toward full-time employment for regulated nurses, away from both part-time and casual work. Across all health occupations, 17.2 days were lost per full-time worker in 2021, up from 16.1 days in 2019, a significant but not huge decline of 0.44 percent in the labour supplied over a year.

5. Nurses have moved out of direct care. FALSE.

More than 80 percent of regulated nurses worked in direct care (as opposed to administration and research, et cetera) 2016 to 2021 and there was no significant dip in the pandemic years 2020 and 2021.

6. Nurses have moved out of hospitals and long-term care. MOSTLY FALSE.

There continued to be growth in the number of regulated nurses in hospitals through 2021 (1.6 percent increase that year). There was, however, a 0.3 percent decline in regulated nurses in nursing homes and long-term care facilities in 2021. The portion of regulated nurses in the "other" work site category, which would include nursing agencies, has been rising.

7. COVID-19 has resulted in a net increase in the demand for health care services. FALSE.

COVID-19 has unambiguously strained the resources of the health care system, but other demands have offset, some due to beneficial side effects of safety protocols such as masking and social distance, some due to the population's hesitancy to seek care during the pandemic and some due to decisions to conserve resources such as cancelling surgeries. Hospital visits, hospitalization days and physician "activities" dipped in total in 2020 and returned to pre-pandemic levels in early 2021. COVID-19 did squeeze resources in certain areas, however, such as Intensive Care Units.

The data do not support many of the anecdotes that abound about healthcare workers. Yet the problems Canadians are facing are real and need to be addressed as quickly as possible. Clearly better data are required. In the meantime, we raise a few possibilities that might reconcile the sense of crisis with the rather sanguine picture painted by public, aggregated data.

Conventional measures understate the rise in healthcare demand since the pandemic struck. For example, an Ontario Hospital Association member survey reported a 10 percent increase in staff from March 2021 to March 2022. That conceivably reflect the hiring for vaccination clinics and for additional cleaning. Ontario also recently added 3,100 beds to its system.

There may also be important, but in aggregate unmeasured, shifts within direct care. Nurses may be moving out of the high needs areas of emergency departments, ICUs and operating rooms toward other areas within hospitals that offer better life-work balance. As well, hospital wages have increased only modestly and they continue to report difficulty attracting and retaining nurses in critical areas.

And finally, 2022 may be worse than we know because we won't get complete data until late next year.

We are left in the unsatisfactory situation of not being able to properly identify the sources and causes of the labour shortages. It is imperative that the data, analysis and planning required be applied as the problems are likely to become worse.

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