



# Sectoral Profile

## Health Care and Social Assistance

### Ontario Region

2016-2018



Sectoral Profiles provide an overview of recent labour market developments and outlooks for some of the key industries in various regions of the country.

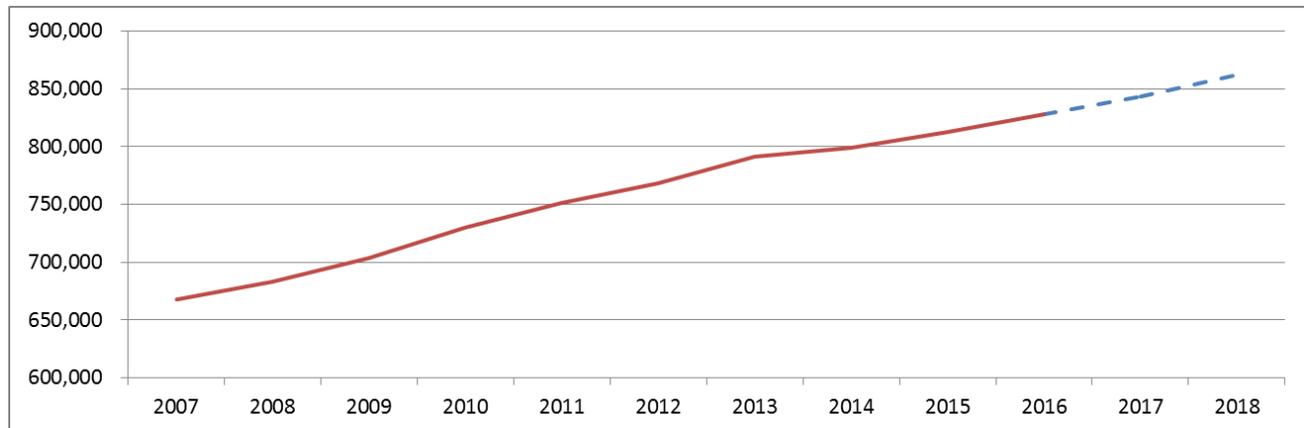
### CONTINUED EMPLOYMENT GROWTH IN A CHANGING INDUSTRY

- Employment in the health care sector continues to grow despite government deficit reduction strategies
- The Ontario government's *Action Plan for Health Care* has triggered a shift in employment from acute care settings such as hospitals, to community care programs and services
- Technological advancements will expand throughout the industry as eHealth initiatives gear up
- Ongoing differences persist in the accessibility of health care services in rural and urban areas
- Employment levels in the health care sector are projected to grow by 4.1% over the 2016 to 2018 period as an aging population increases demand for health services

The health care and social assistance sector is made up of four subsectors. In 2015, the ambulatory health care services subsector makes up about 29% of the industry's total employment, closely followed hospitals at about 28%, social assistance at about 23%, and nursing and residential care at about 21%.<sup>1</sup> Approximately 812,500 people were employed in the health care and social assistance industry in Ontario in 2015.<sup>2</sup>

<sup>1</sup> Statistics Canada, Labour Force Survey

<sup>2</sup> Statistics Canada, Labour Force Survey

**Figure 1: Employment in Health Care and Social Assistance in Ontario, 2007 - 2018**

Source: Statistics Canada. Table 282-0008 - Labour Force Survey (LFS) estimates

Employment growth in the sector has been strong over the past decade. Despite fiscal restraint exercised by both the federal and provincial governments following the 2008-2009 recession, employment levels continued to trend upwards, as shown in Figure 1 above.

### Ontario's health care system is undergoing a transformation

The population of Ontario is aging. As the baby boomers get older, the health care and social assistance sector will see a continued increase in demand for medical services.<sup>3</sup> According to Statistics Canada's population projections, the number of seniors over 65 years old in Ontario was approximately 2.28 million in 2016. By 2018, this number will increase to over 2.44 million, contributing to a rise in the proportion of seniors from 16.4% to 17.2% of the total population.<sup>4</sup> In addition, the proportion of the working-age population (15 to 64 years old) is projected to decline from 67.7% to 66.9% between 2016 and 2018 due to slowing population growth. This results in a proportionally smaller workforce available to support the increasing demand for health care services in Ontario.<sup>5</sup>

In response to the changing demographics and resulting pressures on the health care system, and in light of the provincial government's goal to reduce its deficit, the Ontario Ministry of Health and Long-Term Care released the *Action Plan for Health Care* in January 2012, followed by the *Patients First: Action Plan for Health Care* update in 2015. The plan is meant to reallocate investments within the health care sector to increase efficiency and to ensure the health care system is able to support increasing demand.<sup>6</sup> This will shift employment from programs and services at acute care settings, like hospitals, to community care programs and facilities.<sup>7</sup> An example of this shift is the introduction of the Toronto Birth Centre, the first of two pilot midwife-led birth centres, meant to free up beds in Toronto hospitals for more high-risk pregnancies and deliveries. Funding for the Ontario Midwifery Program has also increased from \$23.7 million to about \$117.6 million over 10 years.<sup>8</sup> This growth opportunity for employment in midwifery has the potential to spread across the province if the pilot clinics prove successful.

<sup>3</sup> Medical and Health Services Managers. (2015, December 17). U.S. Bureau of Labor Statistics. Retrieved from <http://www.bls.gov/ooh/management/print/medical-and-health-services-managers.htm>

<sup>4</sup> Statistics Canada. Table 052-0005 - Projected population, as of July 1

<sup>5</sup> *Ibid.*

<sup>6</sup> Statistics Canada. Table 052-0005 - Projected population, as of July 1

<sup>7</sup> Government of Ontario, Ministry of Health and Long-term Care. (2015, November 6). Ministry Plans: 2015-16 Published Plans and 2014-2015 Annual Reports. Retrieved from <http://www.health.gov.on.ca/en/common/ministry/publications/plans/ppar15/>

<sup>8</sup> *Ibid.*

As part of the Action Plan, in 2012 the ministry also announced a seniors' strategy aimed to reduce demand pressures of the rising senior population on hospitals and long-term care. This strategy included the growth of Community Para-medicine into 30 communities. Paramedics will expand their services beyond their role of emergency response, into visiting patients in their homes to assist them with taking medications and managing chronic diseases, or referring them to other healthcare or community teams when necessary.<sup>9</sup>

### The health care sector benefits from advancements in technology

Investments in new technologies within the health care industry become more important as the demand for services increases given the aging population dynamic. Increasing the use of advanced technology will help the sector become more efficient and ready to meet growing health care demands. The Ontario government's *Action Plan for Health Care* highlights how technological advances have resulted in reduced wait times and better diagnostic tools. Also, some virtual health initiatives are eliminating the barrier of distance and improving productivity.<sup>10</sup> For example, the Southlake Regional Health Centre in Newmarket has adopted a McKesson Performance Visibility (MPV) tracking system allowing managers to monitor activities across the 380-bed facility, creating workflow efficiencies.<sup>11</sup> The hospital has also employed the company Engage Biomechanics to develop a pod which is strapped to a plush toy that tracks a bedridden patient's movements.<sup>12</sup> The goal of the technology is to reduce ulcers caused by pressure and falls, effectively reducing the amount of time the patient stays in the hospital.

Although some eHealth initiatives like Electronic Health Records are already in effect, their impact on existing employment in health care-related occupations remains unclear. However, in general, increased use of new technologies in health care is expected to lighten administrative loads, therefore reducing the need for certain clerical and low-tech jobs. At the same time, technological advancements should increase the demand for health informatics specialists required to manage and analyse electronic medical data. Also, new technology could result in an increasing role for non-physician health care providers, as it may provide them with support required to perform simple diagnoses and treatments.<sup>13</sup>

### Indigenous healthcare receives a boost

The Government of Ontario will provide \$222 million over three years, and more than \$104 million in ongoing annual funding for The First Nations Health Care Plan. Although the program will focus on indigenous

<sup>9</sup> Government of Ontario, Ministry of Health and Long-term Care. (2015, February). Patients First: Action Plan for Health Care. Retrieved from [http://www.health.gov.on.ca/en/ms/ecfa/healthy\\_change/docs/rep\\_patientsfirst.pdf](http://www.health.gov.on.ca/en/ms/ecfa/healthy_change/docs/rep_patientsfirst.pdf)

Government of Ontario, Ministry of Health and Long-term Care. (2016, March). Patients First: Action Plan for Health Care Year One Results. Retrieved from [http://www.health.gov.on.ca/en/ms/ecfa/healthy\\_change/docs/year\\_one\\_results\\_action\\_plan\\_en.pdf](http://www.health.gov.on.ca/en/ms/ecfa/healthy_change/docs/year_one_results_action_plan_en.pdf)

Government of Ontario, Ministry of Health and Long-term Care. (2015, November 6). Ministry Plans: 2015-16 Published Plans and 2014-2015 Annual Reports. Retrieved from <http://www.health.gov.on.ca/en/common/ministry/publications/plans/ppar15/>

<sup>10</sup> Government of Ontario, Ministry of Health and Long-term Care. (2012). Ontario's Action Plan for Health Care. Retrieved from [http://www.health.gov.on.ca/en/ms/ecfa/healthy\\_change/docs/rep\\_healthychange.pdf](http://www.health.gov.on.ca/en/ms/ecfa/healthy_change/docs/rep_healthychange.pdf)

Government of Ontario, Ministry of Health and Long-term Care. (2015, February). Patients First: Action Plan for Health Care. Retrieved from [http://www.health.gov.on.ca/en/ms/ecfa/healthy\\_change/docs/rep\\_patientsfirst.pdf](http://www.health.gov.on.ca/en/ms/ecfa/healthy_change/docs/rep_patientsfirst.pdf)

<sup>11</sup> Reynolds, J. (2013, March). Innovative Patient Flow Technology at Southlake Captures Minister of Health's Attention McKesson Performance Visibility project improves patient safety and flow. *Registered Nurses' Association of Ontario*. Retrieved from [http://rnao.ca/sites/rnao-ca/ehealth-newsletter/jan-2014/2013\\_dec\\_flow\\_tech.html](http://rnao.ca/sites/rnao-ca/ehealth-newsletter/jan-2014/2013_dec_flow_tech.html)

<sup>12</sup> Southlake teams with innovators to solve problems, boost economy. (2015, October 20). *Canadian Healthcare Technology*. Retrieved from <http://www.canhealth.com/blog/southlake-teams-with-innovators-to-solve-problems-boost-economy/>

<sup>13</sup> Anvari, M. (2007, September). Impact of Information Technology on Human Resources in Healthcare. *Longwoods Publishing Corporation*. Retrieved from <http://www.longwoods.com/content/19320>

communities in Northern Ontario, indigenous communities throughout Ontario are expected to benefit.<sup>14</sup> The program includes funding and training more front-line health care workers and expanding home and community care.<sup>15</sup> The investment targets four key areas: increasing physician services by about 28%; enhancing public health and health promotion, including diabetes and mental health care; increasing seniors care and hospital services, such as retirement communities; and offering life promotion and crisis support for those considering suicide.<sup>16</sup> This program is likely to improve access to health care and also add to industry employment growth.

## Sector outlook

The health care and social assistance sector is expected to grow by 4.1% over the 2016 to 2018 period. Employment growth will be driven by demand from Ontario's aging population. As the health care system transforms towards using more efficient channels of service, employment growth will shift from acute care facilities such as hospitals, to community-care programs and services. Employment trends by subsector within health care and social assistance are presented below.

### Hospitals

Hospitals employ medical staff such as physicians, nurses and other health professionals, technologists, and technicians. Employment growth in hospitals is expected to be weak compared to other subsectors because of the funding shift from hospitals to community care programs and facilities.<sup>17</sup> In addition to government funding, fundraising is a mainstay in hospital economic plans and budgets. Many hospitals and clinics rely on private donations made by other charities, foundations and private donors for start-up and continued function. As part of the provincial government's hospital funding reform, hospitals' base budgets will grow by 1% over the coming year, an increase from last year's 0% growth scenario.<sup>18</sup> This means that hospital budgets are based on the types and volume of services and treatments they deliver.<sup>19</sup> As such, in the first half of 2016, many hospitals across the province announced cuts to staff,<sup>20,21,22,23,24</sup> hindering the growth of this sub-industry going forward.

<sup>14</sup> Freeman, J. (2016, May 27). First Nations health care plan reaches southern Ontario. *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/kitchener-waterloo/first-nations-health-care-plan-southern-ontario-1.3603408>

<sup>15</sup> Ketonen, Kris. (2016, May 26). Ontario announces Indigenous health care funding. *CBC News*. Retrieved from: <http://www.cbc.ca/news/canada/thunder-bay/thunder-indigenous-health-1.3599747>

<sup>16</sup> Government of Ontario, Office of the Premier. (2016, August 11). Ontario Enhancing Health Care for Indigenous People in Sioux Lookout Region. Retrieved from <https://news.ontario.ca/opo/en/2016/08/ontario-enhancing-health-care-for-indigenous-people-in-sioux-lookout-region.html>

<sup>17</sup> Job Outlook for: Medical and Health Services Managers. (2016). *CareerPlanner.com*. Retrieved from <http://job-outlook.careerplanner.com/Medical-and-Health-Services-Managers.cfm>

<sup>18</sup> Church, E. (2016, February 25). Ontario Boosts Hospital Budgets by 1%. *The Globe and Mail*. Retrieved from <http://www.theglobeandmail.com/news/national/ontario-boosts-hospital-budgets-by-1/article28923608/>

<sup>19</sup> Government of Ontario, Ministry of Finance. (2016, February 25). 2016 Ontario Budget Chapter I: Building Prosperity and Creating Jobs. Retrieved from <http://www.fin.gov.on.ca/en/budget/ontariobudgets/2016/ch1d.html>

<sup>20</sup> Jobs lost, beds cut at Orillia hospital. (2016, April 27). *Orillia Today*. Retrieved from <http://www.simcoe.com/news-story/6517559-jobs-lost-beds-cut-at-orillia-hospital/>

<sup>21</sup> Sher, J. (2016, March 30). Budget shortfall of \$6 million also comes with job cuts and changes to 'care delivery'. *The London Free Press*. Retrieved from <http://www.lfpress.com/2016/03/30/budget-shortfall-of-6-million-also-comes-with-job-cuts-and-changes-to-care-delivery>

<sup>22</sup> LHSC 2016/2017 fiscal plan. (2016, March 31). *London Health Sciences Centre*. Retrieved from [http://www.lhsc.on.ca/About\\_Us/LHSC/Media\\_Room/Media\\_Releases/2016/March31.htm](http://www.lhsc.on.ca/About_Us/LHSC/Media_Room/Media_Releases/2016/March31.htm)

<sup>23</sup> Frketich, J. (2016, March 4). HHS chopping nearly 100 jobs to balance the budget. *The Hamilton Spectator*. Retrieved from <http://www.thespec.com/news-story/6377119-hhs-chopping-nearly-100-jobs-to-balance-the-budget/>

<sup>24</sup> RVH approves 7th consecutive balanced budget. (2016, March 8). *Royal Victoria Regional Health Centre*. Retrieved from <http://www.cbc.ca/news/canada/hamilton/news/st-joe-s-cutting-136-jobs-up-to-40-from-layoffs-1.3429301>

### *Ambulatory health care services*

This subsector includes employment in offices of physicians, dentists, other health practitioners, out-patient care centres, medical and diagnostic laboratories, home health care services and other ambulatory health care services. Self-employment is common among a large portion of occupations within this subsector, such as physicians, dentists, and optometrists. These occupations often base the success of their practices on patient volume. This usually means setting up new practices in areas that have a growing population. Hiring for occupations such as ambulance attendants and other paramedical occupations is largely dependent on city, town, or regional budgets.

Although the structure of funding for the health care system is changing, over the 2016 to 2018 period employment levels within the ambulatory health care services subsector should continue to rise as the growing population generates demand for occupations such as dentists, general physicians, chiropractors and optometrists, and funding moves towards expanding outpatient care. Also, employment for midwives is expected to grow due to the increase in funding and trial projects to help build the field as a viable alternative to births in acute care settings, like hospitals.

### *Nursing and residential care*

This subsector is comprised of i) in-patient nursing care facilities, ii) establishments providing residential care to people with developmental handicaps, mental illnesses or substance abuse problems, and ii) community care facilities for the elderly. About half of the workforce is made up of the following three occupations<sup>25</sup>: nurse aides, orderlies and patient service associates (NOC 3413); registered nurses and registered psychiatric nurses (NOC 3012); and community and social service workers (NOC 4212). In Ontario, the workforce for nurses has been somewhat unstable.<sup>26</sup> In 2013, the Nursing Graduate Guarantee program was extended to attract individuals to the field by providing a means of connecting graduates from nursing programs with temporary full-time employment opportunities.<sup>27</sup> This employment guarantee program, among others, aim to increase recruitment levels for registered nurses (RN) and registered practical nurses (RPN), and thus help support the supply of labour in this field into 2017.<sup>28,29</sup> As such, employment in the subindustry will most likely continue to be in demand going forward. Many nurses also work in the hospital subindustry, and thus these programs will likely help mitigate the hospital budget restraints and their effects on the employment of nurses going forward.

### *Social Assistance*

This subsector<sup>30</sup> comprises establishments primarily engaged in providing a wide variety of assistance services directly to their clients and includes occupations in family services, community food and housing, emergency and other relief services, vocational rehabilitation services, and child day-care services. About half of the workforce is made up of the following occupations: early childhood educators and assistants (NOC 4214), social and community and service workers (4212), and Home support workers, housekeepers and related

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MacDonald, V. (2016, January 25). ONA expects 28 nurses to be affected at Northumberland Hills Hospital. *Northumberland Today*. Retrieved from <http://www.northumberlandtoday.com/2016/01/25/ona-expects-28-nurses-to-be-affected-at-northumberland-hills-hospital>

<sup>25</sup> NHS 2011 - SAAE

<sup>26</sup> Government of Ontario, HealthForceOntario. (2014, April 1). Nursing Strategy. Retrieved from

<http://www.healthforceontario.ca/en/Home/Nurses/Training | Practising In Ontario/Nursing Strategy>

<sup>27</sup> Government of Ontario, Ministry of Health and Long-term Care. (2015, November 6). Ministry Plans: 2015-16 Published Plans and 2014-2015 Annual Reports. Retrieved from <http://www.health.gov.on.ca/en/common/ministry/publications/plans/ppar15/>

<sup>28</sup> Membership Statistics Highlights 2014. (2015, February 25). *College of Nurses of Ontario*. Retrieved from

[http://www.cno.org/Global/docs/general/43069\\_stats/43069\\_MembershipStatistics-Highlights.pdf](http://www.cno.org/Global/docs/general/43069_stats/43069_MembershipStatistics-Highlights.pdf)

<sup>29</sup> Government of Ontario, HealthForceOntario. (2015, November 25). Nursing Graduate Guarantee for Ontario Employers. Retrieved

from [http://www.healthforceontario.ca/en/Home/Employers/Nursing\\_Graduate\\_Guarantee](http://www.healthforceontario.ca/en/Home/Employers/Nursing_Graduate_Guarantee)

<sup>30</sup> This subsector excludes administration of social assistance benefits performed by provincial/municipal governments

occupations (NOC 4412). As the plans outlined in the *Action Plan for Health Care* continue to roll out, employment is expected to grow in community care programs and facilities with occupations such as community and social service workers and early childhood educators and assistants. Also, visiting homemakers, housekeepers and related occupations may see growth in employment due to the increasing number of seniors who rely on their services.<sup>31</sup> As such, the social assistance subsector is expected to experience employment growth over the 2016 to 2018 period.

### **Health care shortages persist in rural and northern Ontario**

Over the last decade, employment growth in health care and social assistance in Ontario's northern economic regions has been slower than the provincial average.<sup>32</sup> This is mainly due to slow population growth and geographic restraints of its isolated communities. The Northeast and Northwest economic regions span a large area, much of which is rural. Attracting physicians and other medical practitioners to rural communities has been an ongoing challenge in the province. The Northern Ontario School of Medicine (NOSM) was established in 2005 to help mitigate the shortage of health care professionals in the area. The introduction of the school and its various academic programs aims to boost the supply of health care professionals in the region. The school's curriculum is focused around the preparation of students for life and practice in a northern Ontario and/or rural setting. The large majority of medical doctor students at the school originate from northern Ontario,<sup>33</sup> and most continued to practice in northern Ontario upon graduation.<sup>34</sup>

In further support of alleviating health care shortages in the northern and rural areas of the province, the Ontario Government's Rural and Northern Health Care Framework/Plan was created with the goal of providing better access to improved health care.<sup>35</sup> One of the main implications of this plan for Local Health Integration Networks (LHINs) and local communities is to consider different types of providers, like physician assistants and nurse practitioners, to improve access to health care in rural communities.<sup>36</sup>

### **Despite restructuring, overall employment in the health care sector is in demand**

As the demand for health care services continues to rise, the overall health care and social assistance sector should experience a trend of growth as the provincial government continues its efforts of reorganization. As the sector grows, not only in employment but in technological advances, it will push those in health care and social assistance occupations to operate in more efficient ways. Each subsector within the health care and social assistance industry will be impacted differently by the transformation of the health care system, in particular the shift from employment from acute care settings such as hospitals, to community care programs and services.

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<sup>31</sup> Health Care in Canada, 2011: A Focus on Seniors and Aging. (2011, December). *The Canadian Institute for Health Information*. Retrieved from [https://secure.cihi.ca/free\\_products/HCIC\\_2011\\_seniors\\_report\\_en.pdf](https://secure.cihi.ca/free_products/HCIC_2011_seniors_report_en.pdf)

<sup>32</sup> SGEIIND

<sup>33</sup> Class Profiles. *Northern Ontario School of Medicine*. Retrieved from <http://www.nosm.ca/classprofiles/>

<sup>34</sup> Northern Ontario School of Medicine delivers more doctors to the north. (2015, August 26). *CBC News*. Retrieved from <http://www.cbc.ca/news/canada/thunder-bay/northern-ontario-school-of-medicine-delivers-more-doctors-to-the-north-1.3203678>

<sup>35</sup> Government of Ontario, Ministry of Health and Long-term Care. Rural and Northern Health Care Framework/Plan: Stage 1 Report. [http://health.gov.on.ca/en/public/programs/ruralnorthern/docs/report\\_rural\\_northern\\_EN.pdf](http://health.gov.on.ca/en/public/programs/ruralnorthern/docs/report_rural_northern_EN.pdf)

<sup>36</sup> *Ibid.*

**Note:** In preparing this document, the authors have taken care to provide clients with labour market information that is timely and accurate at the time of publication. Since labour market conditions are dynamic, some of the information presented here may have changed since this document was published. Users are encouraged to also refer to other sources for additional information on the local economy and labour market. Information contained in this document does not necessarily reflect official policies of Employment and Social Development Canada.

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