



Sectoral Profile

Health Care and Social Assistance

Ontario Region

2017-2019

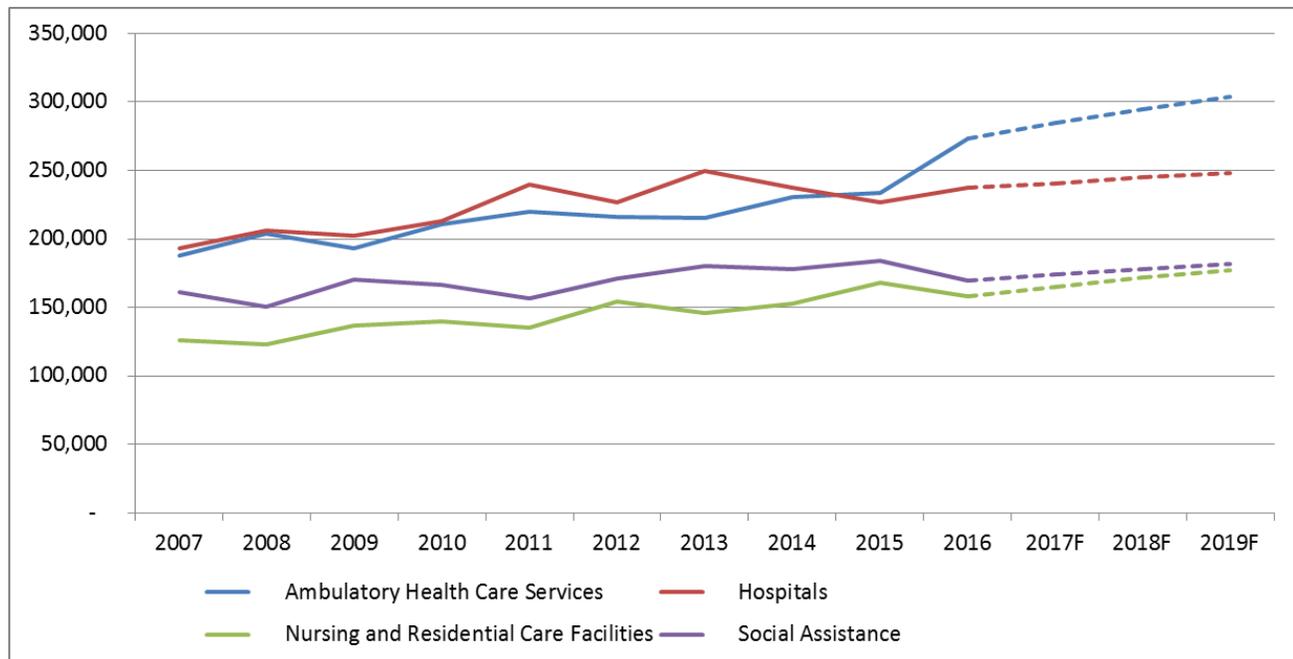


Sectoral Profiles provide an overview of recent labour market developments and outlooks for some of the key industries in various regions of the country.

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
- 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 5.4% over the 2017 to 2019 period as an aging population increases demand for health services

The health care and social assistance sector is made up of four subsectors. In 2016, the ambulatory health care services subsector makes up 32.6% of the industry's total employment, closely followed hospitals at 28.3%, social assistance at about 20.2%, and nursing and residential care at about 18.8%.¹ Approximately 838,400 people were employed in the health care and social assistance industry in Ontario in 2016.²

Figure 1: Employment in Health Care and Social Assistance in Ontario by Subsector, 2007 - 2019

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.³ The number of seniors over 65 years old in Ontario was approximately 2.25 million in 2016.⁴ By 2019, this number is projected to increase to 2.52 million, contributing to a rise in the proportion of seniors from 16.7% to 17.6% of the total population.⁵ In addition, the proportion of the working-age population (15 to 64 years old) is projected to decline from 66.8% in 2016 to 66.5% in 2019 due to slowing population growth.^{6,7} This results in a proportionally smaller workforce available to support the increasing demand for health care services in Ontario.⁸

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.⁹ This will shift employment from programs and services at acute care settings, like hospitals, to community care programs and facilities.¹⁰ An example of this shift is additional funding for more midwifery care in the province, which will allow up to 90 new midwives to begin delivering care each year in the province.¹¹ Since 2016, the Ministry of Health's investments in midwifery increased midwife-attended deliveries by 16%.^{12,13} Additionally, in 2016 the ministry also announced additional funding for home and community care. Ontario invested about \$100 million in 2016 as part of a plan to increase home and community care by \$750 million between 2015 and 2018.¹⁴ Although this covers all age groups, the majority are expected to be seniors.

Indigenous healthcare receives a boost

The Government of Ontario is providing \$828.2 million over five years starting in 2017 for an Indigenous healthcare program.¹⁵ Although the program will focus on indigenous communities in Northern Ontario, indigenous communities throughout Ontario are expected to benefit.¹⁶ The investment targets three key areas: access to care, including mental health services; maternal and child health services; and new funding for the Non-Insured Health Benefits Program.¹⁷ This program is also likely to add to industry employment growth.

Mental health services receive additional funding

The rising demand for mental health services, particularly for children and youth, has resulted in significant investments by the federal and provincial governments geared towards reforming Ontario's mental health service delivery. In particular, the Government of Ontario is investing \$140 million over the next three years, followed by \$50 million annually, in an effort to transition to publicly-funded psychotherapy.¹⁸ The federal government is also undertaking a 10-year health-care agreement with Ontario that includes \$1.9 billion for mental health initiatives.¹⁹ Other substantial investments for mental health initiatives include \$45 million from the province over three years for mental health services at colleges and universities²⁰ and \$633 million for the expansion of the Centre for Addiction and Mental Health (CAMH).²¹

These investments will likely have a positive impact on employment in mental health care-related occupations. In particular, there will likely be an increased demand for mental health professionals in hospital settings, as the number of patients visiting an emergency department for mental health issues or addictions is increasing.²² As well, a heightened awareness about the importance of mental health and higher prevalence of anxiety, depression and substance abuse in young adults²³ will contribute to the demand for mental health professionals in universities and schools. Already, many universities and schools are implementing measures to improve mental health services, including increasing their budgets for mental health,²⁴ which bodes well for workers in this subsector.

Sector outlook

The health care and social assistance sector is expected to grow by 5.4% over the forecast 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 and slowed growth in hospitals' base budgets. Workers working in hospitals could thus face some employment challenges. However, these challenges could be mitigated by recent increases in the operating funding of public hospitals to enhance the number of critical services available as well as investment in health infrastructure to construct new hospitals which could create employment opportunities in the future.²⁵ Workers may face some challenges in finding employment in hospitals in rural areas as hospital services continue to consolidate and move to urban areas.^{26,27,28,29}

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, employment levels within the ambulatory health care services subsector should continue to rise, over the forecast period, 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: 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 is expected to expand during the forecast period.^{30,31}

Social Assistance

This subsector 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.³² 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 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. As such, the social assistance subsector is expected to experience employment growth over the forecast 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. 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, and most continued to practice in northern Ontario upon graduation.³³

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.³⁴ 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.³⁵

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.

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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¹ Statistics Canada, Labour Force Survey

² Statistics Canada, Labour Force Survey

³ 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>

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⁵ Statistics Canada. Table 052-0005 - Projected population

⁶ Statistics Canada. 2017. *Ontario [Province]* (table). *Census Profile*. 2016 Census. Statistics Canada Catalogue no. 98-316-X2016001. Ottawa. Released November 29, 2017.

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⁸ *Ibid.*

⁹ Statistics Canada. Table 052-0005 - Projected population, as of July 1

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¹³ *Ibid*

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