



Sectoral Profile

Health Care and Social Assistance

Region of Western Canada and the Territories

2015-2017



EXECUTIVE SUMMARY

Health care and social assistance has been Western Canada's largest job creator over the last decade. Employment demand within the industry is driven by pressure to maintain caregiver-to-patient ratios among a rapidly aging and often geographically remote population. Health care and social assistance employment is expected to expand the most in heavily populated areas, at both the provincial and the regional level.

KEY DRIVERS

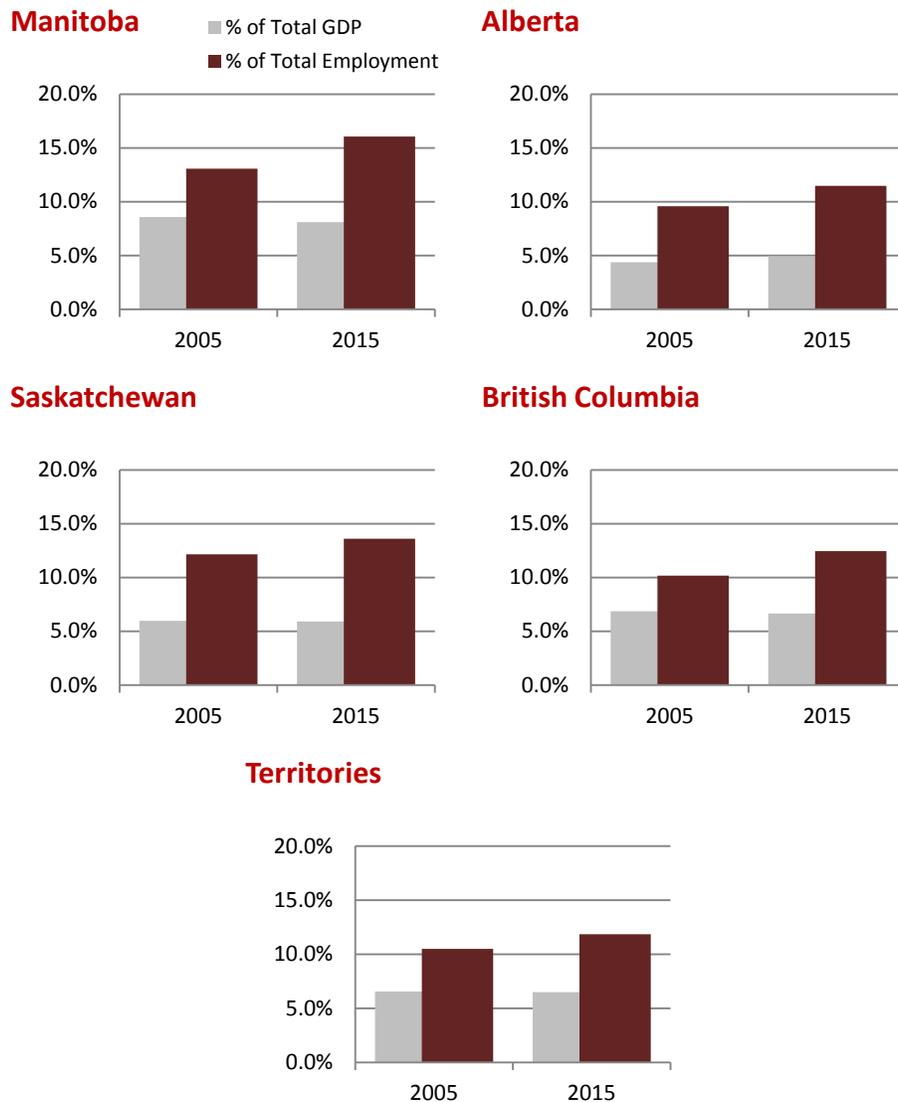
- A growing population in Western Canada and the territories will continue to drive employment demands in the health care and social assistance industry.
- Large sections of Western Canada face ongoing challenges recruiting health care and social assistance workers. Provinces and territories are increasing recruitment of nurse practitioners and foreign doctors.
- A growing population of seniors in Western Canada will require a larger share of services for the treatment of chronic ailments associated with age.
- Longer life expectancies will continue to influence employment demand as age is a factor in the need for health services.
- An aging workforce in the health care and social assistance industry will continue to be a driver for replacement needs region wide.

BACKGROUND

Health care and social assistance is the second largest industry in Western Canada, employing 731,800 people (12.6% of the total workforce) in 2015. Employment in health care and social assistance is subject to different pressures in comparison to other industries. For instance, while many industries faced job losses during the

2009 recession, employment in health care and social assistance continued to expand. Looking back further, employment in health care and social assistance in the Western provinces increased 40.4% between 2005 and 2015, compared to an increase of 17.1% across all industries over the same period.¹ Over the past ten years, the health care and social assistance industry has been Western Canada’s largest job creator, adding 213,100 jobs across the Western provinces.

Health Care and Social Assistance Provincial/Territorial % Share of Employment and GDP, 2005 vs. 2015



Sources: 1. Statistics Canada CANSIM Table 379-0030 - Gross domestic product (GDP) at basic prices, by North American Industry Classification System (NAICS), provinces and territories, annual (dollars). 2. Statistics Canada Labour force estimates by detailed industry, age, sex, class of

Health care and social assistance is supported largely through taxation, health care premiums and federal government transfers, such as the Canada Health Transfer (CHT) and the Canada Social Transfer (CST). The industry is regulated predominantly by the provincial or territorial government, resulting in variation of health care and social assistance spending from one jurisdiction to another. Alberta spends \$6,966 per capita on

health care and social assistance, the most among Western provinces. Meanwhile, British Columbia spends the least with \$5,875, and Manitoba and Saskatchewan spend \$6,927 and \$6,686 respectively. Spending in the territories is significantly higher due to the challenges of servicing a small population across a large area; per capita, Nunavut spends \$14,059, Northwest Territories spends \$13,880 and Yukon spends \$10,949.²

Health care and social assistance spending is influenced by a number of factors, such as the health, size, location and age of the population. With populations on the rise throughout the West, all provinces and territories will need to add jobs in this industry to maintain current patient-to-care giver ratios. In fact, population growth will have particular impact throughout Western Canada and the territories. With the exception of Saskatchewan (0.8%), all western provinces are expected to have annual population growth above the national estimate (0.98%) through 2018, among the territories only Nunavut is expected to exceed the national average.³

Across Canada, life expectancy, measured based on the average number of years people are expected to live past 65 years of age, has risen from 18.1 years in 1992 to 20.2 in 2007.⁴ Further, Canada's senior population is growing due to an increasing number of baby boomers reaching retirement age. In 2011, 14.7% of Canadians were 65 and older, up from 13.0% ten years earlier.⁵ As this population continues to increase, so too will the incidence of chronic degenerative conditions common among the elderly, such as arthritis and diabetes. This shift has a direct impact on health care facilities and will increase employment demand within the industry. Elderly inpatients remain in hospital care 1.5 times longer than non-seniors. In addition, emergency room visits are 60 per cent longer for seniors, and they use resources for inpatient hospital care at almost a 70% greater rate.⁶

Overall, staff shortages and an aging workforce remain significant challenges to the health care and social assistance industry. Demand remains high for family practitioners in Western Canada, as the number of residents without a regular doctor is generally higher than the national average of 15.5%.⁷ Residents of the territories have an even harder time finding care, and a large percentage of Northern residents do not have a regular doctor, including 26.7% of the population in Yukon, 58.1% in NWT, and 84.6% in Nunavut.⁸ In recent years across Canada, the industry has relied increasingly on international recruitment to fill the gaps. Between 2003 and 2007, internationally-trained medical graduates accounted for 42.7% of new doctor placements in major population centres and 25.2% in larger cities.⁹

Health care and social assistance has a higher proportion of workers over the age of 55 than the average of all industries in Western Canada, and staff shortages are now widely reported in the media. Those nearing retirement made up 21.5% of health care and social assistance employees in 2015, well above the Western Canada average of 19.9% across all industries. In addition to this, workers in the industry typically retire earlier than the average with the median average retirement age of 63, compared to 64 years of age in all industries nationally. An effort by the provinces and territories to create more educational seats to replenish the industry's workforce has resulted in increased enrolment and more graduations from nursing programs in Western Canada between 2009 and 2014.¹⁰ Despite the increase, complaints of inadequate care by overworked nursing staff are widely reported.

Recruitment and retention of health care and social assistance professionals is a particular challenge in rural and remote areas. Just over 2 million Western Canadians live outside of major population centres (20% of

population). These areas have a harder time recruiting health care and social assistance employees and face a generally higher turnover of health care staff, including nurses and physicians. Part of the difficulty in attracting and retaining health care providers to these regions comes from the demanding working conditions. Long working hours, large workload, and a perceived lack of opportunities for spouses and children often make jobs in urban settings more attractive.

On the national level, the Government of Canada has offered Canada Student Loan forgiveness to physicians and nurses who work for a full year in an under-served or rural community since April 2013. All provinces and territories in Western Canada now offer similar incentive programs to recent graduates. For example, the Province of Manitoba pays doctors a bonus for every five-year employment milestone.

Canada relies on foreign recruitment for many physician and specialist positions. Between 2002 and 2007, internationally-trained medical graduates accounted for 52.8% of new physicians in rural or remote areas.¹¹ In the absence of physicians, many rural areas have made increasing use of nurse practitioners, who are able to diagnose and manage disorders and chronic diseases, prescribe medications, order diagnostics, and refer to specialists. The usage of Nurse Practitioners reduces the high load on family practitioners in remote locations.

EMPLOYMENT OUTLOOK

- The number of positions in health care and social assistance is expected to increase the most in BC and Alberta, the two largest western provinces. In Alberta, the number of positions in this industry is expected to increase by 22,600, while in BC, the number of positions will increase by 22,700 over the same period.
- Elsewhere in the west, positions in health care and social assistance are expected to increase by 6,300 in Manitoba and 3,700 in Saskatchewan during this time.
- At the economic region level, the most growth in employment between 2015 and 2017 is anticipated in Winnipeg (+3.5%) and Calgary, Banff, & Southern Alberta (+3.3%).

Projected employment change for Health Care and Social Assistance sector during the 2015-2017 forecast period

Economic Region	Projected Change in Employment	Projected Annual Growth
Manitoba	6,300	2.3%
Southern Manitoba		2.6%
Winnipeg		3.5%
Northern Manitoba		1.9%
Saskatchewan	3,700	1.7%
Regina & Southern Saskatchewan		1.6%
Saskatoon & Northern Saskatchewan		1.7%
Alberta	22,600	3.0%
Calgary & Southern Alberta		3.3%
Edmonton, Red Deer, Camrose, & Drumheller		2.8%
Northern Alberta and Banff		2.8%
British Columbia	22,700	2.7%
Vancouver Island & Coast		2.8%
Lower Mainland - Southwest		2.8%
Okanagan - Kootenay		2.5%
Northern BC		2.3%
Yukon	190	2.8%
Northwest Territories	180	2.8%
Nunavut	110	2.7%

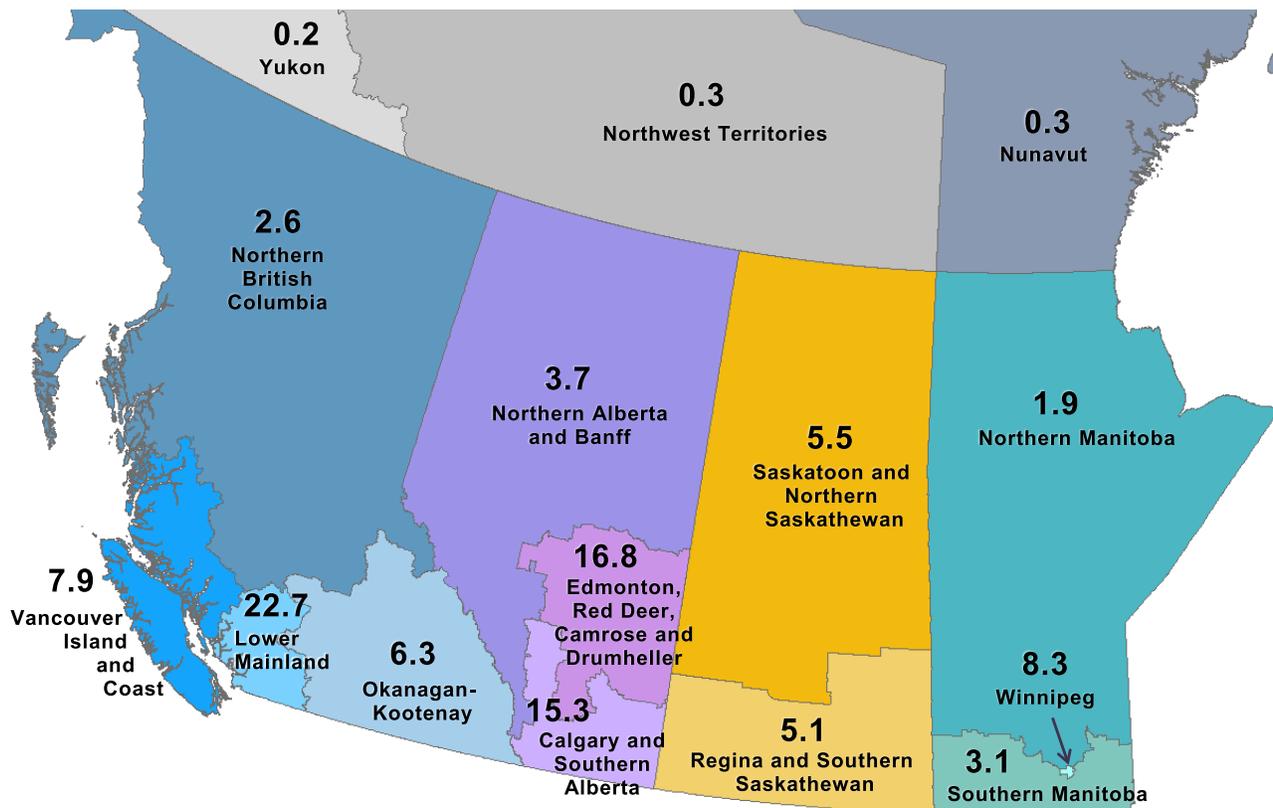
Source: Service Canada Regional Occupational Outlooks in Canada, 2015-2017

REGIONAL OVERVIEW

Western Canada's health care and social assistance jobs are spread unevenly among the regions. This is an industry tied to population, and the vast majority of jobs are found in metropolitan areas. As a result, the three economic regions with the highest employment (regions housing Vancouver, Calgary, and Edmonton) hold more positions than rest of the other regions combined.

- Close to 40% of Western Canada's health care and social assistance jobs are located in British Columbia, primarily in the Lower-Mainland (23%). In total, 67% of the industry is located in the region's nine census metropolitan areas.
- Alberta accounts for another 36% of the region's total industry employment while Manitoba (14%) and Saskatchewan (11%) have the rest. As a share of total employment, Manitoba has the highest employment ratio of all western provinces, with health care and social assistance accounting for 16% of all employment. This is much higher than Saskatchewan (14%), BC (12%), and Alberta (12%) as well as the national average of 13%.
- Among establishments with employees, which exclude sole owner operating businesses, Western Canada's health care and social assistance industry comprises more than 36,000 establishments across all of the regions, including a number of small businesses: over 96% of which have fewer than 50 employees. There are 86 establishments with 500 or more employees across the region, 23 of which are located in the Lower-Mainland area of BC.
- The establishments found in Canada's North reflect the area's smaller population size. As such, the combined territories are home to only two employers with 200 or more employees. Meanwhile there are no employers with more than 500 employees.
- With its booming population over the past decade, Alberta has invested roughly \$3.5 billion to build or expand health care facilities across the province. Meanwhile, Saskatchewan is in the process of building the \$235 million Children's Hospital of Saskatchewan (scheduled for completion in 2017).

Distribution of employment in the health care and social assistance sector across Western Canada (%)



Source: Service Canada Regional Occupational Outlooks in Canada, 2015-2017

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. 2016. Labour force survey estimates (LFS), employment by North American Industry Classification System (NAICS), sex and age group. CANSIM Table 282-0088. Ottawa.

<http://www5.statcan.gc.ca/cansim/a26?lang=eng&id=2820008> (accessed June 16, 2016).

² Canadian Institute for Health Information. 2015. National Health Expenditure Trends 1975 to 2015. Ottawa.

https://www.cihi.ca/sites/default/files/document/nhex_trends_narrative_report_2015_en.pdf (accessed June 16, 2016)

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- ³ Statistics Canada. Table 052-0005 - Projected population, by projection scenario, age and sex, as of July 1, Canada, provinces and territories, annual (persons), CANSIM (database). (accessed: June 23, 2016)
<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0520005&paSer=&pattern=&stByVal=1&p1=1&p2=37&tabMode=dataTable&csid>
- ⁴ Statistics Canada. Table 102-0512 - Life expectancy, at birth and at age 65, by sex, Canada, provinces and territories, annual (years), CANSIM (database). (accessed: July 20, 2016)
- ⁵ Statistics Canada. 2012. Canada (Code 01) and Canada (Code 01) (table). Census Profile. 2011 Census. Statistics Canada Catalogue no. 98-316-XWE. Ottawa. Released October 24, 2012.
- ⁶ Canadian Institute for Health Information. 2011. Health Care in Canada, 2011: A Focus on Seniors and Aging. Ottawa. https://secure.cihi.ca/free_products/HCIC_2011_seniors_report_en.pdf (accessed August 27, 2014)
- ⁷ Statistics Canada. 2013. Access to a Regular Medical Doctor. Ottawa. <http://www.statcan.gc.ca/pub/82-625-x/2014001/article/14013-eng.htm> (accessed July 19, 2016)
- ⁸ *Ibid.*
- ⁹ Canadian Institute for Health Information. 2009. International Medical Graduates in Canada: 1972 to 2007. Ottawa. https://secure.cihi.ca/free_products/img_1972-2007_aib_e.pdf (accessed July 19, 2016)
- ¹⁰ Canadian Nurses Association. 2015. Registered Nurses Education in Canada Statistics 2013-2014. Ottawa. <http://www.casn.ca/wp-content/uploads/2015/11/2013-2014-SFS-draft-report-FINAL-public-copy.pdf> (accessed June 30, 2016)
- ¹¹ Canadian Institute for Health Information. 2009. International Medical Graduates in Canada: 1972 to 2007. Ottawa. https://secure.cihi.ca/free_products/img_1972-2007_aib_e.pdf (accessed August 27, 2014)