EXECUTIVE SUMMARY

Health care and social assistance has been Western Canada’s second largest job creator next to construction 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 regional level.

KEY DRIVERS

- The health care and social assistance industry will continue to expand to meet the demands of a growing population in Western Canada and the territories.
- 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.
Health care and social assistance is the second largest industry by employment in Western Canada, employing 670,800 people (11.8% of total workforce) in 2013. In Manitoba, it was the largest industry by employment in 2013. Employment in the health care and social assistance is subject to different pressures in comparison to other industries. 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 33.2% between 2003 and 2013, compared to an increase of 19% across all industries over the same period. Over the past ten years, the health care and social assistance industry has been Western Canada’s second largest job creator, adding 167,100 jobs across the Western provinces. Only construction added more jobs (234,000) over the same period.

Health Care and Social Assistance’s Provincial % Share of Employment and GDP, 2003 vs. 2013

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 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 $6,602 per capita on health care and social assistance, the most among Western provinces. Meanwhile, British Columbia spends the least with $5,591, and Manitoba and Saskatchewan spend $6,414 and $6,325 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 $12,970, Northwest Territories spends $10,618, and Yukon spends $8,853.

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 Manitoba (0.9%) and NWT (0.7%), population growth in Western Canada is expected to match or grow faster than the national average (1.1%) in 2015.4

Across Canada, life expectancy has risen from 70.4 years in 1956 to 80.4 in 2005 with no sign of slowing in the near future.5 Further, Canada’s senior population is growing due to increased number of baby boomers now reaching retirement age. In 2014, 15.7% of Canadians were 65 and older, up from 10.0% thirty years earlier.6 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.7

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%.8 Residents of the territories have a 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.9 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.10

Health care and social assistance has a higher proportion of workers over the age of 55 than all other industries in Western Canada, and staff shortages are now widely reported in the media. Those nearing retirement made up 20.6% of health care and social assistance employees in 2013, well above the Western Canada average of 16.3% across all industries. 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 2007 and 2012.11 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. Nearly 2 million Western Canadians live outside of major population centres (19% 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.

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.12 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, refer to specialists, and are able to do physicals. The usage of Nurse Practitioners reduces the high load on family practitioners in remote locations.

On the national level, the Government of Canada announced programs in 2011 and 2012 to forgive loans to physicians and nurses who work for a full year in an under-served or rural community. 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. As a result of these and other incentive programs, Manitoba has seen retention rates increase over the last two decades.\(^3\)

**EMPLOYMENT OUTLOOK**

- The number of positions in healthcare and social assistance is expected to increase the most in BC and Alberta between 2013 and 2016. In Alberta, the number of positions in this industry is expected to increase by 18,961, while in BC, the number of positions will increase by 20,326 over the same period.
- With their smaller populations, Manitoba and Saskatchewan will see a smaller increase between 2013 and 2016. Positions in healthcare and social assistance are expected to increase by 4,873 in Manitoba and 2,680 in Saskatchewan during this time.
- At the economic region level, the most growth in employment between 2013 and 2016 is anticipated in Calgary, Banff & Southern Alberta (+2.8%), Okanagan Kootenay (+2.6%) and Vancouver Island & Coast.

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<tr>
<th>Province/Territory</th>
<th>Projected Change in Employment 2013-16</th>
<th>Economic Region</th>
<th>Projected Average Yearly % Change in Employment 2013-16</th>
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<tr>
<td>Manitoba</td>
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<td>Southern Manitoba</td>
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<td>Saskatchewan</td>
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<td>Winnipeg</td>
<td>1.3%</td>
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<td>Alberta</td>
<td>18,961</td>
<td>Northern Manitoba</td>
<td>1.3%</td>
</tr>
<tr>
<td>British Columbia</td>
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<td>Regina &amp; Southern Saskatchewan</td>
<td>1.2%</td>
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<tr>
<td>Nunavut</td>
<td>92</td>
<td>Saskatoon &amp; Northern Saskatchewan</td>
<td>1.2%</td>
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<td>NWT</td>
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<td>Calgary, Banff, &amp; Southern Alberta</td>
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<td>Northern Alberta</td>
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<td>Vancouver Island &amp; Coast</td>
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\(^*\)Territories include Health Care

**REGIONAL OVERVIEW**

Western Canada’s health care and social assistance jobs are spread unevenly among the regions. Being an industry tied to population, 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.
- Western Canada’s health care and social assistance industry comprises more than 50,000 establishments across all of the regions, including a number of small businesses: over 65% of which have fewer than 50 employees. There are 93 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 one employer with 200 or more employees.

- With its booming population, Alberta has invested roughly $3.5 billion in active construction of facilities across the province. Meanwhile, Saskatchewan recently broke ground on the $235 million Children’s Hospital of Saskatchewan scheduled for completion in 2017.

- This industry is a significant employer in Western Canada, particularly in larger urban areas. However, every sub-region in Western Canada has at least one employer with 100 or more employees.

* Territorial data is for Health Care industry.
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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END NOTES

2 Ibid.
6 Ibid. 4
9 Ibid.
(accessed August 27, 2014)