

Intelligence MEMOS



From: Rosalie Wyonch
To: Canadians Concerned about Healthcare
Date: March 18, 2021
Re: ADDRESSING CANADA'S HEALTHCARE LABOUR SHORTAGE

Gaps in access to healthcare have long been a challenge in Canada, but became a top priority in the midst of the COVID-19 infectious disease crisis. The existing labour supply and mix of professionals puts fundamental limits on the healthcare system's capacity.

The pandemic exposed pre-existing gaps in Canada's healthcare system in terms of preparedness, labour policies and the risks posed to and by providers, particularly those working in multiple locations or facilities. Expansions in virtual care, adaptations to clinical practices and expanding scopes of practice for some health professionals are all examples of changes made in response to COVID-19 that have helped maintain access to care and preserve capacity.

However, addressing challenges to healthcare access is going to require more providers. In November 2020, the unemployment [rate](#) in the healthcare and social assistance sector was 2.2 percent compared with an 8-percent average across all industries. At the same time, more than 20 percent of [all job vacancies](#) were in healthcare and social assistance, more than any sector. If nothing is done to change this situation, the shortage of labour will become acute.

In my recent C.D. Howe Institute [paper](#), I evaluate the factors contributing to these labour shortages and provide insights for policymakers to address them, whether in response to crisis or over the long term.

The complex inter-relationships between incomes, methods of care delivery and mix of professionals show there are many ways to increase access to healthcare services.

The time and costs associated with training new physicians make it infeasible to address labour shortages arising from a crisis or an unexpected population need simply through training more doctors. However, shifting methods and modes of care delivery, or adapting scopes of practice, are ways to address short-term gaps in the supply of health labour.

Nurses and other care providers can increase the efficiency of healthcare delivery with expanded scopes of practice or if they are allowed to fill gaps in access to care during shortages of family or specialist physicians.

Some regions of Canada with few physicians have a higher-than-average density of nurse practitioners and registered nurses, suggesting this is already occurring where physician shortages are most prevalent. Another example of increasing efficiency is the shift toward team-based care. A critical feature of both is effective communication and knowledge transfer between supervising specialists and care providers.

Over the longer term, increasing the efficiency and supply of healthcare labour will require adapting medical education policies, remuneration and entry pathways, as well as continuing to modernize care delivery methods, coordination and health data accessibility.

Expanding entry to medical schools as well as the number of residency positions for Canadian medical graduates and internationally trained ones, particularly in disciplines projected to be in short supply, could help to address longer-term imbalances in the physician labour market.

In addition, the results in my report suggest Canada undertake a critical and strategic examination of fee schedules for services, with the goal of reducing the average cost per service but strategically increasing remuneration for difficult-to-access services.

Due to differences in access, immigration flows and healthcare labour supplies, each Canadian jurisdiction presents a different profile of related policies. For example, Ontario, Alberta and British Columbia are the only provinces to consistently have positive net migration of physicians from elsewhere in Canada.

Provinces should evaluate human resource planning tools for healthcare and incorporate links to internal and external migration, adaptations in scopes of practice and changes to remuneration mechanisms or levels. Immigration of foreign physicians, medical students and other care providers should be encouraged, as there are clear public benefits, and analysis suggests that increasing the density of physicians could be an effective way to increase the number of health services per capita.

The pandemic has taken a heavy toll on healthcare workers. They are the front line of defence against the worst consequences of the pandemic and are at increased risk of being exposed to the virus as a result. Healthcare workers in the United States and Britain were 3.4 times [more at risk](#) of receiving a positive COVID test result than the general community. In Canada, the majority of healthcare workers in direct contact with suspected or confirmed cases of COVID-19 reported [worsening mental health](#) compared with before the pandemic, adding caregiver burnout as another possible threat to healthcare labour supply.

Let's make the reforms needed now to address labour shortages in healthcare, whether in or out of a pandemic. The ultimate winners will be Canadians who have better access to healthcare.

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A version of this Memo first appeared in [The Globe and Mail](#).