

July 21, 2023

## The Federal Government Role in Developing a **Workforce Retention Strategy** for Care Economy Jobs in Health Care, Long Term Care and Childcare

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The largest source of employment in Canada is the Care Economy. One in five workers provide services in health, social assistance, education and childcare (**20.5% of all jobs in April this year**).<sup>1</sup>

The Care Economy is also a critical contributor to our GDP. In April 2023, health care and education alone accounted for **12.7% of Canada's GDP**, contributing more to the total income of the economy than sectors like manufacturing, oil and gas, or finance.<sup>2</sup>

- While every other sector of the economy has seen a fall in job vacancies, **the Care Economy continues to see rising job vacancies**. This is despite adding 100,000 workers in the past year, and over 270,000 workers in the past two years.<sup>3</sup>
- **Labour shortages are creating a crisis in access to basic care**. The whole country has a vested interest in reversing this trend.
- The federal government should convene all governments to ensure there is a **coordinated strategy for labour in the Care Economy**, much as it has done for the next round of negotiations of bilateral agreements for the Canada-Wide Early Learning and Childcare initiative.<sup>4</sup>
- Individual provinces and territories want to receive federal funds for healthcare, long-term care and childcare, but do not want to commit to the changes they will buy with the additional funds. **More money without a plan is just more money**.
- To solve the staffing crisis, provinces too often turn to the private market. They plea for more temporary foreign workers. They beggar their neighbours by poaching workers from other provinces. They allow public funds to be spent on exorbitant temp agency contracts. None of these are good or sustainable solutions.
- As emphasized in the recently released terms of the new [Canada-Wide Early Learning and Child Care agreements](#), public funds should focus on improving wages, benefits and pensions to attract and retain staff. They should also target reforms in working conditions, especially providing greater control over work schedules, as well as more public funding for and access to skills development. **That's how to convince people to stay in difficult, stressful jobs.**

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<sup>1</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410035501>

<sup>2</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610043402>

<sup>3</sup> <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=1410037201>

<sup>4</sup> <https://www.canada.ca/en/employment-social-development/news/2023/07/federal-provincial-and-territorial-ministers-meet-to-advance-shared-priorities-in-early-learning-and-child-care-including-the-development-of-a-mult.html>

## **The Federal Government should take the lead in convening and developing a Canada-Wide Workforce Strategy for the Care Economy.**

A Workforce Strategy means getting everybody to commit to a plan together.

This workforce strategy would address national challenges, such as understaffing, immigration, credentials, and data collection. It would also act as a forum for sharing experiences and identifying standards for equitable workplace practices that form the basis for federal funding agreements. It could target measures such as:

- ✓ Increased staffing levels.
- ✓ More full-time jobs, bucking the trend to part-time and temporary positions. Contrary to myth, most women in these sectors want full-time jobs.
- ✓ Predictable, reasonable shifts that are scheduled weeks in advance so workers can make plans with their family and friends.
- ✓ Better benefit plans that include pensions.
- ✓ Improved leave provisions that include a decent number of paid sick days.
- ✓ More access and supports for continuous learning and skills upgrading.

It's a completely achievable task to have more humane and cost-effective workforce practices. The net effect of such changes could actually cut costs by reducing spending on overtime pay, recruitment and training costs, and temp agency fees. Higher job satisfaction and less turnover will pay dividends for care providers as well as those being cared for.

While allowing for some different arrangements with Quebec, funding agreements with provinces/territories could **make such transfers conditional on the enforcement of standards, informed by an annual Monitoring and Assessment Report**, similar to that required by the EI program.

Provinces/territories could also be encouraged to **establish permanent Care Economy Workforce Strategy sectoral roundtables in childcare, healthcare and long-term care**, including representation by unions, employers, researchers and policy experts, and people who use the service. These advisory bodies would identify strategies to provide the supports and resources that scale up effective initiatives.

Special commissions, researchers, unions and policymakers have been arguing for meaningful workforce retention strategies since the 1990s. **They recognized that the conditions of work are the conditions of care ... and of avoiding labour shortages.**

We can't wait for another generation to start acting. The crisis in care is now.

~ *Respectfully submitted, **The Care Economy Team***

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For more information: [TheCareEconomy.ca](http://TheCareEconomy.ca)