



POLICY PAPER

Working Short: Addressing the Health Human Resources Crisis in Canada

**POLICY FRAMEWORK FOR RETENTION, RECRUITMENT,
AND WORKFORCE PLANNING**

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INTRODUCTION

Canada's public health care system is facing a major health human resources (HHR) crisis. Widespread staffing shortages are driving burnout, attrition, and instability across the sector. Health care workers are under immense strain, while patients are facing delays, reduced services, and, in many cases, preventable suffering.

An overreliance on for-profit staffing agencies, international recruitment, and interprovincial poaching of health workers are short-term responses that have failed to address the systemic causes of this crisis. These approaches reveal the consequences of decades of inadequate workforce planning and chronic underinvestment—not only in the system but in the workers who sustain it and ultimately deliver the care.

This lack of action to address the ongoing and predictable health care worker shortages undermines access, degrades the quality of care, inflates costs, and threatens the sustainability of public health care in Canada. Health care workers face escalating demands in chronically understaffed and increasingly chaotic work environments. Many are working mandatory overtime, having vacation time denied, and are being asked to do more with less support. The result is deep and growing moral injury, exhaustion, despair and a loss of faith in the system. Health care delivered by workers who are under undue stress and pressure risks the well-being of both patients and the workers who deliver the care.

While the COVID-19 pandemic accelerated this crisis, it did not cause it. Long before the pandemic, unions and frontline workers were raising alarms about the aging workforce, rising workloads, and lack of workforce planning. Governments and employers failed to act. Today, the system is stretched to its breaking point. Immediate and coordinated action is needed across all levels of government and among health care employers. This is no longer only a workforce issue, Canadians are increasingly seeing it as a public health emergency. Polling by the Canadian Health Coalition shows three-quarters of respondents believe there is a crisis and 40% reported they or family members have avoided going to an emergency room due to concerns regarding worker shortages and wait times.¹

In response to the concerns of our health care workers, the National Union of Public and General Employees (NUPGE) launched a national health care campaign in January 2025, grounded in the experiences of these health care workers. The campaign began with a comprehensive survey of our members across the sector and builds on the foundation laid at NUPGE's June 2024 round table on the HHR crisis. This policy paper draws from that survey, as well as from academic research and international examples, to offer practical solutions.²

At this moment, NUPGE has identified two priorities as central to any path forward: workforce retention and effective health workforce planning. Overall, there must still be a focus on increased investment in health care, but funding must be targeted at stabilizing and strengthening the public system. This means federal and provincial health care investments must be tied to investment in public delivery within the public health care system only. Public dollars must not be diverted into for-profit delivery models or contract agencies, which inflate costs, drain the public system of staff, and reduce public accountability. It is not acceptable that governments are spending money on private health care contracts and for-profit staffing agencies which both increase costs and pull needed workers out of the public system.

We are approaching a tipping point. If current trends continue, there is a real risk that Canada's public health care system will be unable to meet its mandate. Chronic neglect and underfunding has opened the door to expansion of for-profit and two-tier care, which must not be allowed to become a permanent part of health care in Canada. Many Canadians assume that our universal public health care system is guaranteed as part of our national fabric and as our most cherished public institution. However, many forget that it was only a little over 50 years ago when all provinces finally had universal health care, and just over 40 years ago that the Canada Health Act (CHA) was passed. In that time, there were constant attacks on public health care, chronic underfunding and overall neglect, leading us to the current crisis. During the pandemic, governments used the excuse of surgical backlogs to outsource services to for-profit clinics. Expansion of for-profit health care had long been sought by those ideologically opposed to universal health care. Now that the backlogs have been greatly reduced, we must demand these contracts be reversed because those surgeries and services can be provided in the public system at lower cost by public health care workers, while ensuring that the principles of the CHA are respected.

If action is not taken, private, for-profit, clinics will continue to undermine our public health care system. Expanding for-profit care will not solve this crisis. It will deepen inequities, increase costs, and further weaken the public system.³ There is no fast way to replace the shortage of highly trained health care professionals already needed in the public system, and this shortage is made worse by expanding for-profit health care, which draws workers from the public to the private delivery system. The solution lies in investing in people, attracting workers to public health care as a career and rebuilding a health care workforce that is respected, adequately compensated, and well-supported.

This paper outlines the current state of the HHR crisis, the factors that caused it, and the policy changes urgently required to reverse course. Drawing on frontline voices, expert analysis, and proven models from other jurisdictions, we offer a roadmap to restore Canada's public health care system—starting with respecting the workers who make it possible.

UNDERSTANDING THE HEALTH HUMAN RESOURCES CRISIS

Canada's health care workforce is experiencing significant loss of workers due to the impact of factors such as chronic underfunding, privatization trends, and inadequate workforce planning. An aging workforce and health care workers choosing to retire sooner than anticipated is also causing greater strain. Key findings from NUPGE's survey of 6,416 health care

workers reveal that 89% believe their province's health care system is in crisis, with 66% citing inadequate staffing and 61% reporting heavy workloads and burnout.

The impact of these shortages extends beyond the workforce, directly affecting patient care quality and accessibility. Over 55% of health care workers report working frequently or always with fewer colleagues than needed, which compromises care quality. The strain is particularly severe in rural and remote areas, where relocation incentives remain insufficient to attract adequate numbers of health care professionals. Facility-based care providers (78%) and allied health professionals (82%) report lacking the time and resources to perform their jobs effectively. This invariably means patient care is suffering.

Emergency room closures in smaller communities due to staffing shortages have become routine ⁴, and patient wait times continue to rise. The stories of patients dying in emergency rooms waiting for care have become too common. Invariably, it is the health care workers who are in the spotlight and have to answer for these failures, but, without looking at the strain workers are under due to short staffing and overwork, we ignore that these failures are less about the workers and more about the situations workers find themselves in trying to provide care to their patients without the required support to do their jobs effectively.

These chronic worker shortages are having an impact; nearly 40% of health care professionals are considering leaving public health care within the next three years. This includes 19% planning to retire, 8% considering a transition to private health care, and 13% looking to leave the sector entirely. With workers already short, if even half of these workers leave the system, the impact would be profound. Governments and employers need to understand what this would mean to our current public health care system and that immediate action is needed.

While awareness of the health care worker shortage crisis is growing, the focus remains largely on doctors and nurses. Although their shortages are undeniably serious, it is equally critical to recognize and prioritize the shortages of allied health care professionals. These workers play a vital role in patient care and the effective functioning of the entire health care system. Modern health care is highly complex and relies on a wide range of highly trained allied health professionals who contribute to diagnosis, treatment, and rehabilitation. Severe delays in diagnostic imaging, medical laboratory testing, rehabilitative therapies, and other essential services provided by allied health professionals are creating significant bottlenecks in care delivery. These delays directly impact patient outcomes by postponing diagnoses and treatments. The reality is that workforce shortages exist across nearly all health care professions in Canada—including the broad spectrum of allied health care roles—and must be addressed with the same urgency as physician and nursing shortages.

Looking at one allied health professional, we can use perfusionists as an example of how shortages impact care. Perfusionists play a critical role in cardiac surgeries, operating the heart-lung machines during surgery. Provinces are actively trying to attract and retain these highly skilled health professionals. Saskatchewan, as an example, is offering \$100,000 as a bonus if a perfusionist stays for five years. ⁵ There are only about 20 new perfusionists trained in Canada each year and many are approaching retirement. Other provinces also have incentives, but ultimately, many are desperate, and not all can pay large incentives

to recruit these and other health professionals. Ultimately, the patients suffer as cardiac surgeries are delayed due to shortages of highly skilled health care professionals.

FACTORS CONTRIBUTING TO THE CRISIS

1. Chronic Underfunding

For decades, Canada's health care system has suffered from underfunding, leading to stagnating wages, reduced training opportunities, and poor working conditions. As federal transfers to the provinces and territories are not tied directly to health care spending, provinces and territories are not even obligated to spend increased federal funding on health care. This is why public health care advocates always demand that there be 'strings attached' to federal funding to ensure the transfers go to support the public health care system. Unfortunately, the federal transfers continue to flow with no hard requirements put on provinces or territories regarding the use of these funds.

Therefore, even announcements of funding increases should be received with tempered expectations as the funding is often not used to support our public health care system. With an aging population and a record population increase of 1.3 million people in 2023, health care spending has not been adequate to meet increased needs. In 2022, health care spending only grew by 1.5% and 2.8% in 2023.⁶ This is below the rate of inflation, even before accounting for Canada's increasing and aging population.

Underfunding impacts patient care, but it also impacts on the working conditions and lives of workers. 72% of health care professionals surveyed report increased financial stress, with 21% unable to cover basic living expenses. While many health care professionals are paid above average wages, there are many support and ancillary staffing positions, or those in long-term care and community care positions, who are not well compensated. These workers are integral to the functioning of our health care system and deserve to be compensated at a level that does not put them in financial distress. Canadians rely on health care workers during their time of greatest need, unfortunately, governments and employers are not providing support to these workers resulting in negative impacts to both the workers and the quality of care they are able to provide.

In February 2023, the Government of Canada proposed a comprehensive health care funding plan⁷, committing \$196.1 billion over ten years to enhance health services nationwide. This investment includes \$46.2 billion in new funding, with an immediate, unconditional \$2 billion top-up to the Canada Health Transfer (CHT) to address urgent pressures in the health care system. The overall package amounted to \$198.6 billion over the ten years, and the premiers quickly agreed to the arrangement. While this should have been a reason to applaud both levels of government for agreeing to this funding at a time of need, it is unclear how much of an impact this will have. While some of the funds were targeted to reduce surgical backlogs, improve mental health and substance use services, as well as to modernize health data systems, the federal government did not tie the funds to increased investment in the public health care system, or even in health care for that matter. The funds were unconditional and meant that provinces were free to use the funding as they saw fit, including not spending it

on health care. It is highly likely that some of these added funds were diverted to for-profit health care, which has been rapidly expanding since the pandemic.

2. For-Profit Staffing Agencies

The expansion of for-profit health care services and reliance on private staffing agencies have destabilized the public health care workforce. Nearly 4 in 10 (39%) health professionals report being approached to be recruited by private staffing agencies, which offer higher wages but undermine job security and continuity of care. This reliance has driven up costs for public institutions without solving the staffing crisis.

While nurses represent the bulk of those contracted with these staffing agencies, they are by no means the only target. Allied health professionals are key targets as well, as the shortages of these professionals have created a market and competition between provinces. These agencies pose significant risks to the sustainability of the public health care system. They recruit health care professionals from hospitals and long-term care facilities, offering them higher wages and more flexible work schedules. This practice exacerbates staffing shortages in public hospitals, as permanent staff leave the public system, only to be contracted back through the agency.

The financial burden of private staffing agencies on the health care system has been growing at an alarming rate. Reports show that private agencies charge as much as three times the hourly wage of a regular health care worker, with Ontario spending \$9.2 billion for services over 10 years (2013-14 to 2022-23) on these health care staffing agencies. Over this period per capita private agency costs in Ontario nearly doubled (98 per cent) while spending on public hospital staff increased only six per cent.⁸ Provinces are realizing that this is unsustainable and are now scrambling with how to deal with these rapidly increasing costs.

This rapid escalation in costs is not justified, as it takes funds from the public system to pay much more for these privatized and contracted health care workers. Instead of investing in permanent solutions and on things which would retain these workers, governments and employers have been taking the seemingly easier but much more expensive route of using these agencies. Focusing on retention through better wages, benefits, and working conditions for full-time health care professionals is a more sustainable and productive solution to shortages. These agencies are another example of privatization and for-profit capture of our health care system.

In response to these growing concerns, some provinces have begun to take action to curb the influence of private staffing agencies. Québec has introduced legislation to phase out private health care staffing agencies, recognizing their destabilizing effect on the public system. Quebec's law (Bill 10), phases out these staffing agencies, effectively banning them except in emergency situations. This law is being challenged in the courts, but it calls for an end to the use of private agencies by 2026 quickly resulting in thousands of health care workers returning to the public system. Ontario is exploring measures to regulate agency pricing and increase transparency in their billing practices. Other provinces, including Manitoba and British Columbia, have acknowledged the financial strain caused by agency staffing and are considering policy changes to limit costs. However, without a coordinated national strategy,

provinces are left to address the problem individually, leading to inconsistent regulations and continued reliance on costly agency workers in some jurisdictions.

As part of a HHR strategy, Canada should establish a federal agency to oversee and regulate the use of temporary health care professionals. This agency could coordinate staffing across provinces, ensuring that temporary workers are deployed where they are most needed without undermining permanent staff positions. There has always been a need for these ‘travel’ health professionals, but governments have come to rely on these contracted workers and the staffing agencies well beyond the traditional use in rural and remote settings. Developing public agencies to coordinate these workers would allow the movement of workers to areas struggling with staffing but would save the exorbitant fees charged by the private agencies and would retain these workers in the public system.

3. Ineffective Recruitment and Retention Strategies

The absence of a pan-Canadian recruitment and retention strategy has led to interprovincial competition and temporary incentives that fail to address the root causes of workforce shortages. 83% of health care professionals identify higher wages as a key retention factor, followed by better staffing levels (72%) and improved work-life balance (63%).

The retention of health care workers is crucial to ensuring the stability and effectiveness of Canada’s public health care system. Without effective retention of highly skilled health care workers, it will be impossible to keep recruiting to deal with high turnover.

The pandemic has led to increased turnover rates among nurses, doctors, and other frontline workers. Already understaffed, we have severe staffing shortages that strain hospitals and long-term care facilities, increasing wait times and reducing the quality of patient care. This becomes a spiral as more health care workers leave due to burnout, excessive workloads, and inadequate compensation. Without strong retention strategies such as improved wages, better working conditions, and mental health support, Canada risks losing even more skilled professionals, further weakening the public system.

In addition to retaining existing staff, Canada must significantly improve its recruitment of health care workers to address both current shortages and the growing needs of an aging population. The country has relied heavily on internationally trained professionals to fill gaps. Expanding training programs, increasing the number of allied health professional, medical school and nursing program seats, and fairer credential recognition for foreign-trained workers are essential steps in ensuring a sustainable health care workforce. What is key when dealing with foreign recruitment is to understand that the shortage of health care workers is a global phenomenon and Canada’s ongoing practice of relying on foreign-trained health care workers is ethically suspect.

Canada should be applying, at the very least, an ethical lens on recruitment overseas, but the better solution is to have a pan-Canadian HHR strategy which stresses the need to train health care workers in Canada. Canada, at all levels of government including provincial and territorial, should be strongly supporting the WHO Global Code of Practice of the International Recruitment of Health Personnel.⁹ The outsourcing of recruitment to agencies has raised concerns about our recruitment practices even as Canada has federally endorsed the WHO code.

One of the key factors in both retention and recruitment is fair compensation and working conditions. Many Canadian health care workers are overworked due to staffing shortages, leading to burnout and early retirements. Meanwhile, private staffing agencies lure nurses and personal support workers away from full-time positions by offering higher wages and more flexible shifts, further destabilizing the public system. Governments must invest in competitive salaries, benefits, and full-time employment opportunities to make public health care jobs more attractive. This approach not only improves worker satisfaction but also ensures long-term workforce stability.

A national HHR strategy is needed to coordinate both retention and recruitment efforts across provinces. Federal and provincial governments should work together to create long-term workforce planning initiatives that address immediate shortages while preparing for future health care demands. This includes better funding for public health care positions, investments in workforce training, and policies that prioritize full-time employment over temporary agency staffing.

Australia, which has a similar health governance structure to Canada's, has in coordinated workforce planning for many years. Its experience demonstrates that long-standing labour issues can be addressed through collaborative government action. The Australian experience shows us that coordinated planning can have a significant impact on health care staffing and help ensure that highly trained health care workers are available to meet the needs of patients.

4. Lack of Mental Health Supports

Health care workers frequently report high levels of burnout, stress, and workplace violence. 83% report feeling exhausted, 72% overwhelmed, and 62% anxious about their jobs. Additionally, 54% report constant high stress due to working conditions. These numbers from NUPGE's survey are closely aligned with an academic study published in BMC Public Health in 2024, which rates the overall prevalence of burnout was 78.7%. Furthermore, this study states that 85.2% met the criteria for exhaustion and 87.7% met the criteria for disengagement.¹⁰

Overall, mental health continues to be a part of health care that is often cited as needing improvement, but with little action. The pandemic greatly increased the need for mental health services yet the deal between the provinces and the federal government did not explicitly demand investment in mental health, just noting it was one of the priority areas. The words in these agreements will not help address the staggering numbers of people with untreated and even undiagnosed mental health issues. Many of our workers work in addictions and mental health and they continue to try and support their clients with little support even as the need continues to grow. Now many themselves need assistance as the toll on their well-being is exacerbated by the continuing crisis in health care.

Canada needs to take the issue of mental health more seriously. This is true for the population, but even more critically for those workers we place in situations where their mental health may be harmed. Instead of supporting these frontline workers, we are leaving them without the support they need while still expecting them to be able to function at a high level under these very strenuous conditions.

Policy Recommendations

A. Retention-Focused Solutions

1. Wage Increases and Pensionable Incentives – 83% of surveyed health professionals cite higher salaries as the most important retention factor.
2. Enhanced Mental Health Supports – Comprehensive mental health services should be available to all health care workers, as 84% report emotional exhaustion.
3. Flexible Work Arrangements – 45% of surveyed health care workers cite rigid schedules as a reason for considering leaving their positions.

B. Ethical Recruitment and Training Initiatives

1. A Pan-Canadian Workforce Strategy – Coordination across provinces, facilitated by the federal government, can prevent costly bidding wars for workers.
2. Ethical International Recruitment – Recruitment should align with WHO guidelines to avoid exploiting foreign-trained professionals.
3. Investment in Domestic Training Programs – Expand tuition-free training and paid clinical placements to address workforce gaps.

C. Workforce Planning and Data-Driven Decision Making

1. A National Health Workforce Information System – Similar to one used in Australia, a Canadian system can track workforce trends and predict shortages.
2. Reducing Reliance on Private Staffing Agencies – Publicly run staffing pools should replace expensive agency contracts.
3. Targeted Incentives for Rural and Underserved Areas – Housing assistance and student loan forgiveness can encourage retention in high-need regions.

The final recommendation is that federal and provincial governments and employers understand the level of crisis the public health care system is facing and that they invest the resources and political will to deal with this issue. The false solutions of privatization and expanding for-profit health care will only deepen the crisis and must be stopped.

A WAY FORWARD – THE AUSTRALIAN EXAMPLE OF HHR PLANNING

With political will and cooperation, Canada can move forward to address some of the key concerns expressed in this policy paper. Canada and Australia have similarities in the way the federal governments and state or provincial governments share responsibilities for health care. Canada, unfortunately, has given over all planning to the provinces and, since the Harper government disbanded the Health Council of Canada in 2014, has not been doing anything significant to help HHR planning.

Australia employs a collaborative approach to HHR planning, integrating efforts from federal and state governments alongside expert advisory bodies. A central component of this

strategy is the Medical Workforce Advisory Collaboration (MWAC), which provides guidance to health ministers on medical workforce matters, ensuring coordinated planning and policy development across jurisdictions.

In addressing shortages in allied health professionals, the federal and state governments are jointly developing a National Allied Health Workforce Strategy. This initiative aims to align the supply of allied health professionals with current and future healthcare needs, emphasizing factors influencing workforce supply, demand, and quality.¹¹¹¹

Additionally, Australia's Health Workforce 2025 projections offer long-term national workforce analyses for doctors, nurses, and midwives, providing a foundation for policy development to meet the community's healthcare demands.

Canada must also launch a collaborative framework to work towards a system like Australia's commitment to integrated HHR planning, combining governmental coordination with expert insights and workers inputs to effectively address healthcare workforce challenges. Until we do that, we will continue to see provinces constantly working to encourage highly skilled health care workers to leave their homes and patients to gain financial incentives. Australia provides a model which shows that there can be collaboration for mutual benefit instead of the current competitive model we currently have in Canada.

CONCLUSION

Canada's health human resources (HHR) crisis is a systemic failure that demands immediate intervention from federal and provincial governments, as well as health care employers. At its core, the solution lies in prioritizing workforce retention, adopting ethical recruitment practices, and investing in long-term, data-driven planning. These actions are essential to ensure that our public health care system remains sustainable, equitable, and accessible to all. Without decisive action, continued reliance on privatization, agency staffing, and unsustainable workload will only deepen the crisis.

Workers and the unions who represent them have been sounding the alarm for years. Their frontline experience must be central to any solutions. It is critical that worker representatives be actively involved in the development and implementation of health workforce policies.

The path forward is clear: governments and employers must invest in people, not privatization. A public health care system cannot function without a stable, well-supported, and respected workforce. Continuing to rely on private staffing agencies, short-term fixes, and patchwork policies will only worsen the crisis and accelerate the erosion of our universal health care model. By implementing the policy recommendations in this paper, governments and employers can begin reversing the damage done to Canada's health care workforce and secure a future where public health care remains strong, well-resourced, and worker-focused; all of which ultimately ensures the patient received the best possible care.

If we fail to act, Canada will see continued expansion of two-tier, for-profit health care—undermining and ultimately dismantling the strong public health care system we have relied on for generations. The growth of for-profit care erodes public confidence and pushes more

Canadians, desperate for timely treatment, toward private alternatives. Left unchecked, this trend will lead to a system where access to care depends not on need, but on ability to pay.

We must defend public health care—and that begins with defending and supporting the workers who make it possible. We know what must be done, now the challenge is to ensure we continue the fight and not accept that health care should be a commodity like any other, public health care is a right we must fight for every day.

For further information on moving this issue forward in Canada, the Canadian Health Workforce Network is a good resource to find out more about the health human resources crisis and what can be done to address the health care worker labour shortage.

Endnotes

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