

HEALTH CARE

Sector Profile



Sector Facts and Figures, 2016

Total GDP (2007 \$CAD) <i>Share of Canadian GDP</i>	\$57.5 billion 3.4%
Total Employment <i>Change since 2007</i>	1.05 million +22%
Average Hourly Wage (Excluding overtime) <i>Inflation-adjusted change since 2007</i>	\$27.37 +2%
Productivity Growth 2007-2016	-14%
Average Work Hours/Week (Excluding overtime)	30
Average Overtime Hours/Year	23
Greenhouse Gas Emissions (Kilotons, 2014) <i>Share of Canada's total industrial emissions</i>	1,268 0.2%
Union Coverage Rate	74%
Unifor Members in the Industry	29,100
Share of Total Unifor Membership	9%
Number of Unifor Bargaining Units	364
Average Bargaining Unit Size	80

Source: Cansim; Unifor Research Department.

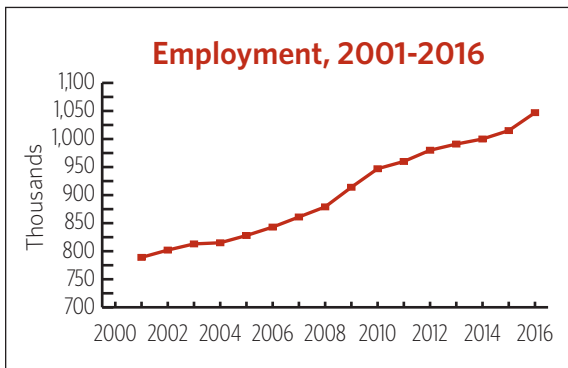


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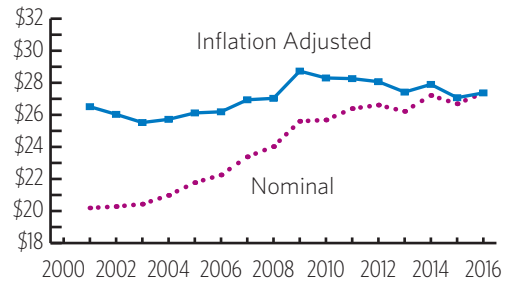
Current Conditions

Health care is one of the largest and most economically significant industries in Canada. More than a million people are employed in hospitals, nursing facilities and residential care facilities alone. This subset of the Canadian health care industry added roughly 200,000 net new jobs over the past decade (a 22 per cent increase) and, in 2016, contributed \$58 billion to Canadian GDP.



At more than \$27 dollars, the average hourly wage in this industry is 17 per cent above the Canadian average (note: depending on the occupation, the wage level in health care can be much lower). However, average inflation-adjusted wages in this sector have shrunk in recent years, having declined by five per cent since 2009. This reflects, in part, the effort by governments to reduce public spending (after a brief flirtation with Keynesian stimulus in 2008-09) with a view to balancing their books. Not only does this undermine the living standards of workers

Average Hourly Wage, 2001-2016



in this vital industry, but it slows economic growth by reducing household purchasing power and exacerbating income inequality (including, likely, the gender wage gap).

Most of Unifor's Ontario hospital agreements expire in 2017 (along with SEIU and CUPE). This is a major year for hospital negotiations, where a new sector-wide pattern will be set. Major long-term care bargaining in Ontario happened in 2016, where a new three-year pattern was set. In 2014, the Nova Scotia government introduced legislation to force four categories of health care workers to be represented by a single union, which would force many union members to change unions. After a long battle, the four unions representing health care workers (Unifor included) reached a deal where the unions would continue representing their existing members. However, the process has been very slow in negotiating new consolidated agreements for the four segments of the sector (health care, administrative support, nursing and support services).

Unifor in the Canadian Health Care Industry

Select Unifor Employers	Approx. # Members
St. Joseph's Hospital	1,400
Extendicare	1,400
London Health Sciences	1,300
Grand River Hospital	1,100
Revera	900

Unifor's 29,000 health care workers account for roughly nine per cent of overall union membership. The membership in this industry is distributed across more than 350 bargaining units, with heavy regional concentration in Ontario and Nova Scotia. Unifor's health care members work in a range of settings, including hospitals, nursing homes, retirement homes, emergency paramedic service providers and home care providers.

Some segments of the sector are publicly-funded and employers are public entities, including hospitals and emergency services. Other segments of the sector are comprised of private (often large corporate) employers who have contracts with government bodies (home care, for example) or receive government subsidies for part of their operations (nursing homes) or are completely privately funded (retirement homes).

One-fifth of Unifor's health care membership work for the five largest employers, all of which are located in Ontario, with St. Joseph's hospital (in London) being the single largest employer.

Moving Forward: Developing the Health Care Industry

The health care sector is directly affected by government policy, both fiscal and social, at the provincial and federal levels. Federally, the government negotiated new individual health funding agreements with the provinces and territories as a substitute for a renewed Canada Health Accord, which would have encompassed all of the provinces together. Significantly, the federal funding transfers agreed upon fell short of those witnessed in the previous Health Accord, even though Canada's population continues to age (and is more reliant on health care services).

Provincially, the Ontario government increased hospital funding in recent years after frozen (or minimal) increases over the past decade. In general, Ontario has increased its overall health funding levels in recent years, but not at a level that would keep up with resource demand. Nor have the current spending increases compensated for the shortfalls created from previous years of cuts.

In Nova Scotia, where Unifor has significant health care membership, the provincial government has taken an austerity approach throughout its present term. Long-term care funding was cut by \$8 million in the 2015 and 2016 budgets, which will have a significant impact on front-line service workers. The government's 2017 budget proposed to restore just \$3 million to long-term care funding.

After a brief period of Keynesian stimulus, governments across Canada began a program of retrenchment in the aftermath of the Great Recession of 2008-09. Labour compensation was one of the casualties of this policy reorientation. Many provincial governments imposed across-the-board wage freezes on public sector workers, including hospitals. These wage freezes have affected Unifor's health care membership, which has struggled to match wage growth with overall inflation.

The shift to austerity will ultimately undermine the quality of health care services and should be reversed.

Major Sector Development Issues

- Reverse the wage retrenchment/stagnation witnessed across the public sector, which is largely a consequence of governmental efforts to balance their budgets.
- After years of operating budget freezes, hospitals, nursing homes and other health care providers must be made a public policy priority.
- A renewed Health Care Accord, with funding levels based on need (including population growth and service delivery), should be negotiated.
- Ensuring that free collective bargaining rights are respected by public sector employers, including governments.



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