

MEDIA STATEMENT

OHA Debunks Report on Purported Use of Private Agency Staff

Toronto, ON, May 15, 2025 – “The Ontario Hospital Association (OHA) has carefully reviewed the report on the purported use of private agency staff at Ontario hospitals, released on May 12th by the Canadian Centre for Policy Alternatives (“Report”). The OHA’s analysis found that the Report includes misleading claims on private agency usage that are significant. The OHA is calling on the author to withdraw this Report.

The Report states that Ontario hospitals paid private staffing agencies \$9.2 billion over 10 years. However, the Report combines agency staffing with all purchased services, such as housekeeping, food services, security, logistics and others. This means that the amount reportedly paid to private staffing agencies actually includes a large number of purchased services that have been misrepresented as agency staffing costs.

Even with this misrepresentation, OHA data shows that total expenditures for all purchased services, inclusive of agency costs, was \$3 billion from 2013-14 to 2022-23. The data referenced in the Report aligns with this figure; however, the amount has been erroneously tripled by adjusting for inflation. It is not accurate to adjust previously purchased services expenditures to current dollars – and the Report does not do the same for hospital compensation expenditures.

During this time period (2013-14 to 2022-23), Ontario hospitals were responding to the COVID-19 pandemic for multiple years. This required many unique one-time purchased service expenditures that were necessary to the provincial response – including those related to assessment centres and vaccination clinics.

In describing what Ontario hospitals spent on employed staff, the Report only includes the hourly wage costs for employed hospital staff and ignores other costs, such as pension and benefits. As a result, the Report failed to account for approximately 20% of additional hospital compensation costs. The total spending on employee hospital staff compensation over 10 years was \$109 billion, which was an increase of 45%.

Finally, the Report compares the hours worked by only agency nursing staff to costs for the broader category of all purchased services and makes the claim that hospitals are paying a higher amount for less work. When all purchased service hours are factored in, the overall hours worked, and costs of these arrangements are essentially balanced.

Strengthening Ontario’s health care workforce has been an important priority for hospitals and significant progress has been made in recent years. The overall hospital workforce has grown by more than 40,000 health care workers since 2019/20, to a total size of over 280,000. This includes 7,500 more Registered Nurses (RNs) and 5,600 more registered practical nurses working in hospitals.

Hospital vacancy and turnover rates have also decreased significantly since the pandemic. Hospital vacancy rates have decreased from 10.74% in October 2022 to 4.97% in March 2025. Hospital turnover rates have decreased from 14.66% in October 2022 to 8.93% in March 2025.

Agency usage at the provincial level is still only a small portion of total nursing hours worked and the distribution of those hours across regions and hospital types is varied. While there has been overall growth in agency nurse usage, the total number of hours worked by all RNs Ontario hospitals has also substantially increased due to growing demands on the health care system.

Agency nurses are primarily used as a last resort to alleviate staffing challenges and to maintain continued access to the highest quality of care. The decision to do so is made very judiciously given the cost, continuity of care, and impact on staff morale. Hospitals in smaller, rural and northern communities continue to face unique and multifaceted staffing challenges due to their size and have a greater need for staffing agency solutions.

MEDIA STATEMENT

Ontario hospitals are continuing to reduce their reliance on staffing agencies and will continue to work closely with the Government of Ontario to strengthen its workforce by providing stable, in-house staffing solutions to meet patient care needs.”

- Kirk LeMessurier, Chief of Communications and Public Affairs, Ontario Hospital Association

-30-

Ontario Hospital Association

Established in 1924, the OHA serves as the voice of the province's public hospitals, supporting them through advocacy, knowledge translation and member engagement, labour relations, and data and analytics with the goal of helping hospitals build a better health system. The OHA is also attuned to the broader strategic questions facing the future of the province's health care system and we work to ensure Ontario's hospitals have a voice in shaping this longer-term vision.

For more information: Marina Bozic, Media Relations and Public Affairs Advisor, Ontario Hospital Association, mbozic@oha.com