

Ontario's Community Health Sector Pre-Budget Submission 2025

INTRODUCTION

As representatives of 10 provincial community health care associations, Ontario's community health sector welcomes the opportunity to jointly participate in Ontario's 2025 pre-budget consultation process. Together, we represent over 200,000 workers across the full spectrum of community health care – from mental health and addiction to primary care, to home and community care and long-term care.

The community health workforce encompasses a range of specialized health care roles, including nurses, personal support workers, mental health professionals and social workers. The sector is often the first point of contact for patients within the health care system, ensuring millions of Ontarians receive the right care in the right setting. This workforce cares for patients with highly complex needs that often have multiple severe and chronic conditions, and many patients face barriers to accessing health equitably.

THE CHALLENGE

Community health workers in primary care, mental health and addictions, long-term care, home care and more are facing a \$2-billion wage gap compared to their peers in similar settings, including in hospitals and schools. In many cases, these workers are doing the exact same, or similar, work, but are being paid much less. The rising cost of living has further compounded these challenges, making it increasingly difficult to attract and retain the skilled professionals needed for our sector.

In 2023, 94% of community health organizations identified compensation issues as the primary barrier to staff recruitment and retention.¹ The continued inability of community health organizations to fairly compensate their workforce is an ongoing problem which has caused us to lose valuable workers to other sectors daily. This staffing crisis directly impacts health care services and supports that Ontarians rely on. Without action, the sector is forced to reduce services, wait times grow longer, and patients may seek care through other health care providers, placing even more pressure on overcrowded emergency departments and hospitals.

This wage gap is not just a statistic—it has real consequences. For example, Frontenac Youth Services, a mental health agency in Durham Region, experienced a 17% vacancy rate last year and lost approximately 10 staff to higher-paying positions in the private, education and hospital sectors. These staff provided care to over 100 young people who are now facing disruptions in critical mental health supports. This is also reflected on a broader scale, with 83% of community health organizations seeing increased wait times for Ontarians as a result of ongoing staffing challenges.¹

Like many community health employers, Frontenac is often treated as an entry-level workplace. New hires stay just long enough to be trained and gain experience before leaving for better-paying opportunities elsewhere. Not only does this contribute to longer wait times for services as new staff have to be recruited, onboarded and trained, it also means significant disruptions in care – which for a

¹ For Us For You Campaign, Community Health Ontario Member Survey. July 2024.

young person receiving mental health treatment, can mean having to re-tell their story and rebuild the therapeutic relationship with a new clinician.

While the sector acknowledges and is appreciative of the actions government has taken to date to strengthen parts of the community health sector, a comprehensive, all-of-government approach is needed to address ongoing challenges. The growing wage gap threatens our ability to deliver the community services Ontarians need and deserve, as well as the ability of the government to achieve its objectives of the right care in the right place, providing faster access to services, and growing our health care workforce. More than 10,000 Ontarians have [shown their support](#) for the community health workforce, underscoring the widespread recognition of this critical issue and the urgent need for action.

OUR PROPOSED SOLUTIONS

Community health workers love the work they do, but with the cost of living continuing to rise, they simply cannot afford to stay in the sector.

That is why, as part of Ontario's 2025 budget, we have three proposed solutions that will support Ontario's community health workers and ensure care in the community is available to Ontarians, now and in the future. Our associations are ready to work collaboratively with the government to:

1. Commit to investing over \$500 million annually over the next five years to close the wage gap in our sector, in addition to building in sustainable and ongoing annual increases in line with projected inflation.
2. Address Bill 124 shortfalls that continue to impact much of the community health sector.
3. Establish a working group with government to co-design a sustainable approach to building and supporting the community health sector workforce.

We know investing in the community sector works. For example, North York Family Health Team recently had two mental health vacancies they were hiring for. During the posting period, the wait time to access these services increased to 14 weeks, but once the vacancies were filled, the wait time was reduced significantly to 4 weeks. The extended time it took to recruit qualified candidates is simply one example of the type of challenges the sector faces in ensuring enough staff are recruited and retained to provide timely access to care for Ontarians. These challenges are driven by low wages, which make these positions less competitive and harder to fill. In the mental health and addictions sector, the table below outlines the hospital cost per visit compared to the community cost per visit for mental health and addictions services and highlights how investing in the community is more cost-effective.

Table 1: Hospital cost per visit compared to the community cost per visit for adult mental health and addictions services in Ontario.

Hospital Cost Per Visit		Community Cost Per Visit	
Inpatient Addictions Bed	\$352	Addictions Case Management	\$118
Inpatient Mental Health Bed	\$572	Addictions Supportive Housing	\$151
Emergency Mental Health Services	\$749	Mental Health Case Management	\$163
Inpatient Psychiatric Crisis Bed	\$1055	Mental Health Counselling	\$190

Investing in the community health sector also leads to broader system-wide improvements. According to recently published data, closing the wage gap would retain one in five personal support workers (PSWs) who might otherwise leave the community health sector - which translates into 23.5 million additional care hours for Ontarians.² It can also help prevent long-term care admissions and drive down hospital alternative level of care rates. The table below provides a cost-per-day breakdown for patients receiving long-term care across different settings, highlighting the cost-effectiveness of community-based care.

Table 2: Cost-per-day for patients receiving long-term care across settings.

Cost of long-term care patient in hospital	\$730
Cost of comparable service in long-term care	\$201
Cost of client receiving comprehensive home and community care	\$103

CONCLUSION

We recognize that these are significant investments and not a quick fix. However, we know it will greatly improve the care Ontarians receive and the services we provide. By investing in Ontario's community health sector, we can enhance the quality and continuity of care for Ontarians by ensuring they are receiving the right care in the right setting, as well as reduce the reliance on the province's overburdened hospitals and emergency rooms.

Our associations are ready and willing to work with the government to increase funding for the community health sector and connect the people of Ontario to the care they need, in the right place, when they need it most.

ABOUT

Ten community health associations in Ontario have come together to raise awareness about the wage gap in community health compared to other sectors. This coalition includes Addictions and Mental Health Ontario (AMHO), AdvantAge Ontario, Alliance for Healthier Communities, Association of Family Health Teams of Ontario (AFHTO), Canadian Mental Health Association – Ontario Division (CMHA), Children's Mental Health Ontario (CMHO), Family Service Ontario (FSO), Indigenous Primary Health Care Council (IPHCC), Nurse Practitioner-Led Clinic Association (NPLCA), and the Ontario Community Support Association (OCSA).



² Economic Evidence for Home and Community Care Investment: The Case for Ontario PSW Wage Parity. Zagrodny, K. et Al. Healthcare Policy 19(1) August 2023 : 23-31.doi:10.12927/hcpol.2023.27161