

## Agency Nursing Across Canada: We Need Answers

Research undertaken by the Canadian Federation of Nurses Unions (CFNU)

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Agency nurses are nurses who are employed by private external staffing agencies that arrange contracts with a facility. Initially they filled short-term gaps, but over the last several years they have become a fixture on many units. Nurses are leaving the public health care system to work for private for-profit agencies. Working conditions for nurses in the public sector are bad and getting worse with high workloads and units regularly over capacity. Agency nurses can earn **over twice the hourly wage of a permanent nurse** for the same shift. In addition, agencies may charge the public payer for accommodations, travel expenses and apply other fees that increase costs.

A preliminary literature review has found no published literature regarding the utilization of private nursing agencies in Canada, however, several media reports were found.

### Key findings

Governments are spending millions of dollars on private nursing agencies with the numbers increasing significantly every year over the last three years (2020-2023).

- **\$6 million per month** for long-term care alone in Ontario in 2023.<sup>1</sup>
- **1.2 million hours of agency nurse time** across 77 hospitals in Ontario in 2022 – a **cost of \$174 million, four times more than the year before.**<sup>2,3,4</sup>
- **\$60 million** across Manitoba's five health authorities in 2022-2023 – a **47% increase** from the previous year.<sup>5</sup>
- **\$100 million** in Newfoundland and Labrador in 2022-2023.<sup>6</sup>
- **\$25.4 million** in Nova Scotia in 2022-2023 – a **28% increase** from 2021-2022.<sup>7</sup>
- **146 million between 2019 and 2023 in British Columbia.** In 2018-2019 fiscal years only 8.7 million.<sup>8</sup>
- **\$3 billion** in Quebec between 2016-2022 hiring staff from private agencies.<sup>9</sup>

High rates of pay and other fees for agency nurses are costing the public payer millions.

- The average pay rate in media reports **2-3 times** permanent nurse salary.
- Reports of private nursing agencies charging \$65-140/hour.
- Sometimes even \$295/hour, which includes \$70-100 for nurses' salaries, and the rest for travel, administration, and sometimes accommodations and parking costs.
- One small hospital in Ontario reported that one agency charged as much as \$300/hour.<sup>10</sup>
- In long-term care homes in Ontario, some agencies are charging \$88/hour for an agency nurse, more than twice their typical wage of \$43/hour.
  - One agency charged \$150/hour for an agency nurse.
  - Up to 35% premiums for short notice.
  - Rural and Northern LTC homes pay 30% higher.<sup>11</sup>

**Public dollars need to be spent efficiently; therefore public employers need to work to retain permanent nurses. Private agency nurse salaries need to be capped, and they ultimately must be phased out of the system.**

## References

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<sup>1</sup> AdvantAge Ontario. (2023). *Non-Profit LTC Homes Are Being Gouged by Some Temporary Staffing Agencies*. <https://www.advantageontario.ca/AAO/Content/NewsReleases/Non-Profit-LTC-Homes-Are-Being-Gouged-by.aspx>

<sup>2</sup> Yalnizyan, A. (July 26, 2023). Ontario's solution to the health care crisis is to hire nurses through agencies — and the cost has now quadrupled. *Toronto Star*.

<sup>3</sup> Jones, R. P. (February 23, 2023). Ontario Liberal MPP to introduce bill to address 'price gouging' by temporary nursing agencies. *CBC News*.

<sup>4</sup> Grant, K. (July 27, 2023). Ontario spending on private nursing agencies quadrupled since COVID-19, data show. *The Globe and Mail*.

<sup>5</sup> Da Silva, D. (July 7, 2023). Manitoba paid \$60M for private nurses. *Winnipeg Free Press*.

<sup>6</sup> MacEachern, D. (April 6, 2023). Health authorities spent \$100M on travel nurse contracts in past year: documents. *CBC News*.

<sup>7</sup> McPhee, J. (April 10, 2023). Private nursing bill skyrockets in Nova Scotia amid staffing crisis. *Saltwire News*.

<sup>8</sup> Daflos, P. (May 30, 2023). B.C. care homes propped up by for-profit staffing agencies 'near breaking point'. *CTV News*.

<sup>9</sup> Authier, P. (February 15, 2023). Quebec aims to phase out use of private health-care agencies by 2026. *Montreal Gazette*.

<sup>10</sup> Kaasalainen, S. (May 18, 2023). Nursing agencies cashing in on staffing shortages. *The Hamilton Spectator*.

<sup>11</sup> AdvantAge Ontario, 2023.