

Stakeholder Summary

Persistent labour market imbalances in education, law, medicine, nursing, architecture and engineering

Professional degree holders, whose credentials prepare them for a specific occupation, might assume they'll move directly into a job post-graduation. But a new study from the Higher Education Quality Council of Ontario finds that attempts to manage these professions have resulted in swings between under-supply of new entrants and over-supply of graduates.

Project description

Labour Market Trends and Outlooks for Regulated Professions in Ontario examines enrolment, graduation trends and labour market outcomes for graduates of professional programs in education, law, medicine, nursing, architecture and engineering.

Sources include: membership data from professional regulatory bodies; Statistics Canada's Labour Force Survey, National Household Survey and National Graduates Survey; administrative data compiled by the Ontario Fairness Commissioner; enrolment and graduation data; Stokes Economic Consulting's Provincial Occupational Model; and supply and demand forecasts by Prism Economics and Analysis.

Findings

While imbalances between supply and demand exist in the six regulated professions examined, the causes, extents and impacts differ across the professions.

Education (primary and secondary school teaching). Graduates from Ontario teacher education programs have faced a difficult labour market. Between 2006 and 2011, Ontario produced an estimated 26,000 more qualified teachers than there were available teaching jobs. The oversupply was compounded over many years, worsening employment opportunities for each new cohort and eventually driving the unemployment rate for qualified teachers to nearly 20% in 2013.

The job market for new teachers is expected to improve as supply remains restricted and enrolment and replacement demands rise. Teacher education program enrolments have fallen since 2011, reducing the supply of graduates and improving employment outcomes. However, the oversupply has changed the age profile of teachers. With enrolment restricted over the foreseeable future on one hand and rising retirements and employment demand on the other the teaching workforce may face another shortage in less than two decades. If the number of graduates remains at current levels, the profession is headed back to a shortage. There is already evidence of shortages in the French system and for teachers qualified to teach certain subjects, such as math and science.

Law. In a similar vein, the number of law school graduates has exceeded available articling positions. Slowing demand for legal services and a rising supply of law school graduates have weakened labour market outcomes for new lawyers aspiring to enter the profession.

Based on a projection model created by the authors, PRISM Economics and Analysis, it is estimated that from 2015 to 2025, there will be 1.6 new licensed lawyers for every new practicing position, likely resulting in a rising number of law school graduates not practising law. They will likely find opportunities in other professions or leave the province to find legal work elsewhere.

Medicine. Measuring health care supply and demand has created uncertainty about future staffing trends and has led to policies that produced several boom and bust cycles in the supply of physicians

in recent years. Given the continued rise in enrolment in medical schools, the supply of new physicians is expected to continue to increase, staying ahead of annual hiring requirements.

The employment outlook for newly certified physicians in Ontario is unclear. In the current climate, there is evidence that many newly certified physicians are encountering difficulties finding positions, leaving many qualified physicians unemployed, returning to school for further education or leaving the province to find employment.

Nursing. In the period between 2005 and 2014, demand for new nurses exceeded supply by more than 21,000 positions. The persistent challenges experienced today stem from a decade of health care reform and restructuring in the mid to late 1990s. The downsizing of health care resulted in layoffs, a massive move to part-time and casual work, and the exit of thousands of qualified nurses from the workforce. Investments in health care in the early 2000s attracted nurses back into the workforce and led to an increase in the number of nursing graduates. In 2005, the education requirement changed for nurses from a college diploma to a bachelor's degree, further restraining supply. Over the following years, the system relied on a shrinking pool of qualified nurses returning to the workforce. This pool is running dry and the number of new nursing graduates is persistently lagging behind demand.

It is estimated that more than 76,000 new nurses will be required over the next 10 years to meet anticipated expansion and replacement demand, with the largest demand coming from the need to replace retiring nurses.

Architecture. Architecture has a global labour market and the employment outlook for Ontario architects is determined by both domestic and international demand, as well as the share of the international market held by Ontario architectural firms.

Over the next 10 years, there may be an imbalance between projected supply and demand. There will be approximately 2,310 master of architecture graduates in Ontario and 495 graduates from bachelor of architecture programs who will enter the labour force. Over this same period, international immigration is expected to add around 1,265 persons to the supply, and inter-provincial migration will add another 1,100. The total supply of new professionals will therefore be around 5,170 persons seeking employment in architecture, yet demand for new architects is only projected to reach 4,100 jobs.

Engineering. Engineering graduates pursue careers in many related fields where licensure is not required. Engineering graduates are more likely to be employed in a non-engineering occupation that normally requires a university degree than in an engineering occupation. These occupations include jobs in information technology, systems planning, technical sales, technical inspection and approval, as well as general management. Yet the employment data also suggest a significant degree of under-employment among engineering graduates.

Looking ahead to the supply and demand projections from 2015 to 2025, approximately 69,600 Ontario engineering graduates are anticipated over the forecast period yet hiring requirements are likely to be only 52,300.