



Federal budget 2008 and Health Care

What's in the budget?

A plan to legally prevent current and future federal government from setting standards for new health programs. The budget repeated the federal government's throne speech commitment to pass legislation limiting the use of federal spending power in areas of provincial jurisdiction.

Pennies in new health care funding, in relation to federal spending - for example, \$3 million for medic alert bracelets.

Tax breaks for health care companies:

- GST/HST rebates worth \$15 million per year to nursing home companies for facility purchases and renovations.
- Extension of GST/HST exemption to the sale of professional health services supplied by corporations.

A nod to private health spending with an increase in the Medical Expense Tax Credit worth \$10 million over two years, expansion of the list of GST/HST-free medical and assistive devices, and other tax measures.

\$147 million over two years for First Nations and Inuit health, with a focus on integrating those programs with provincial programs – a move that reflects this government's goal of withdrawing from program responsibilities.

What does it mean for Canadians?

This budget delivers nothing on pharmacare, continuing care, wait times, health human resources, infrastructure, or hospital superbugs.

Even though health care makes up almost half (45 percent) of federal cash transfers and remains a top priority for Canadians, there was only token mention of health care in this budget. While seniors wait for care, hospitals are stretched beyond capacity, and ill people across the country go without needed medicine, the federal government is handing out gift bags to for-profit health care companies.

The federal government had nothing substantive in this budget for health human resources, an issue crying out for federal leadership.

What are the better choices?

Federal leadership for universal, public health care. The federal government must enforce the *Canada Health Act* and turn back the privatization of our health care system. See www.yourmedicarerights.ca

A national long term care program that includes targeted funding and national standards for home and residential long-term care, including minimum staffing standards. All new funding and contracts should go to non-profits, and sales to for-profits should be disallowed.

A wait time strategy that guarantees public sector improvements and not private insurance or outsourcing to for-profit clinics.ⁱ The strategy should:

- combine and better manage lists;
- fully utilize hospital operating rooms;
- expand team work and case management;
- expand primary care and continuing care; and
- address retention and recruitment problems.

A national pharmacare program that provides equal access to safe and effective drugs while keeping rising costs in check. The program should include first-dollar coverage for essential drugs on a national formulary, bulk purchasing, more rigorous safety standards, evidence-based prescribing, and stricter controls on drug company marketing.ⁱⁱ

A national infrastructure fund to build and redevelop hospitals and long term care facilities. All health care infrastructure funding must be tied to

public non-profit ownership, control, management, and operation of the facilities, equipment and services.ⁱⁱⁱ

A national strategy to combat health care acquired infections. The federal government should establish a federal-provincial task force to:

- establish mandatory public reporting of health care acquired infections;
- create stringent infection control, cleaning, sterilization, and disinfection standards;
- establish improved health care housekeeping and nursing staffing levels;
- establish maximum occupancy levels in hospitals; and
- end the contracting-out of cleaning services in health care.

Strengthened single-payer health and social services for people with disabilities. New funding is needed, and it should flow through public programs and not individual grants and tax measures.^{iv}

For more information, visit www.cupe.ca/budget

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ⁱ Canadian Union of Public Employees. *Backgrounder: Solutions to Healthcare Waiting Lists*. February 2007. http://www.cupe.ca/waitinglists/Backgrounder_Solutio

ⁱⁱ Canadian Health Coalition. *More For Less: A National Pharmaceutical Strategy*. Updated September 2007. <http://www.healthcoalition.ca/learn.html>

ⁱⁱⁱ Canadian Health Coalition. *Re-establishing a Federal Role in Hospital Infrastructure Finance*. December 2005. http://www.cupe.ca/p3s/Reestablishing_a_Fed

See recommendation 5.1 of Disability Tax Fairness: Report of the Technical Advisory Committee on Tax measures for Persons with Disabilities, p. 113, December 2004. <http://www.disabilitytax.ca/English.pdf>

^{iv} See recommendation 5.1 of Disability Tax Fairness: Report of the Technical Advisory Committee on Tax measures for Persons with Disabilities, p. 113, December 2004. <http://www.disabilitytax.ca/English.pdf>