

Ontario Health Coalition

ANALYSIS

For Immediate Release
May 18, 2004

Provincial budget shows some important rebuilding also some serious flaws: OHC

Today's budget announcement includes some significant reinvestment in the public health system but also includes regressive moves, said the Ontario Health Coalition.

The positive announcements:

- Increased multi-year funding for hospitals
- Increased funding for long term care facilities and homecare
- Investment in primary care reform
- Increased funding and provincial responsibility for public health
- Budget increases are a first step but will be inadequate in some areas.

The negative announcements:

Healthcare premiums - these premiums announced today are regressive (more of a percent of income for \$20,000 income earners than \$200,000 income earners). There are many options that the provincial government could have chosen to raise the necessary funds for healthcare. Using Senator Kirby's recommendation for health premiums is a surprising and regressive policy decision.

Inadequate capital funding equals private P3 hospitals - there is no clear plan and inadequate funding in the budget for rebuilding hospitals publicly. Without further capital funding announcements, this budget looks like a plan for privatized P3 hospitals.

Delisting - some physiotherapy, optometry and chiropractic services are to be delisted from OHIP. Since patients will still have to pay for these services when sick or in need, this is not a savings for Ontarians, but rather a shifting of the burden of payment to individuals and a shrinking of the scope of public medicare.

Privatization and cost containment:

The higher cost of the for-profit health industry must be addressed in order to make healthcare sustainable. The shift of payment for health services onto individuals will be a particular blow to young and poor working people while some of the wealthiest corporations in the world benefit from the continuing privatization and deregulation of our health system. The provincial government must move to contain the marketing strategies of the pharmaceutical industry that are driving up costs in hospitals and in public drug plans. The privatized P3 hospitals will be much more expensive than public hospitals. The provincial government needs to develop a capital funding plan that retains public finance and control of hospitals.

"The re-introduction of health premiums would take us backward over a decade", stated Natalie Mehra provincial coordinator. "There were good reasons for the withdrawal of health premiums, and those reasons still exist."

"Unless the government intends to violate the Canada Health Act health premiums are unenforceable. The province has no right to cut anyone's access to health services for non-payment. Why set up an expensive administrative system just to disguise a more regressive and unenforceable tax?"

"The real cost drivers in the health system are the multinational companies that see public health funding as a source of profit. The province cannot justify shifting the burden of costs to individuals while allowing the costs of drugs to balloon and while adopting expensive P3s and health privatization. Such policy is unprincipled and unsustainable."

"We sincerely hope that this does not signal the intention of the Ontario government to follow the anti-Medicare paths of Ralph Klein and Gordon Campbell," she concluded.

For more information: 416-441-2502.

Ontario Health Coalition
15 Gervais Drive, Suite 305
Toronto, Ontario M3C 1Y8
www.ontariohealthcoalition.ca
phone: 416-441-2502
fax: 416-441- 4073
email:ohc@sympatico.ca