

Ontario Health Coalition

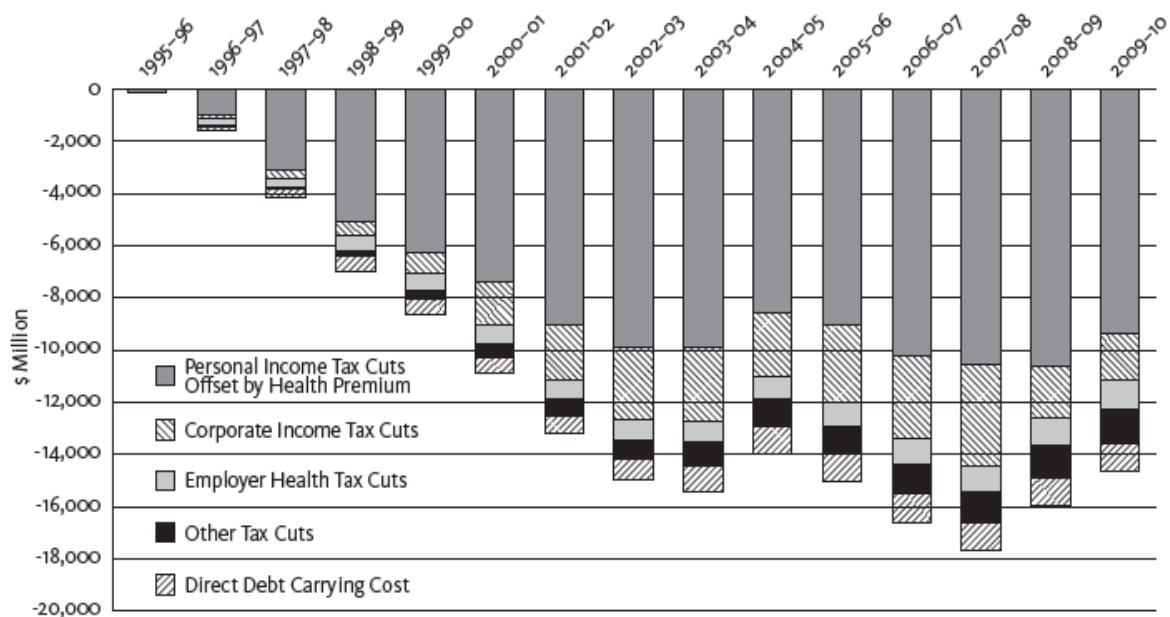
Briefing Note



Lost Funding for Public Services 1995 – 2010

The following chart totals the cumulative annual impact of tax cuts on provincial revenue. It shows that in the years 1995 – 2003, the Mike Harris/Ernie Eves Ontario government tax cuts accumulated to result in a total of \$15 billion per year lost from provincial revenues. This resulted in draconian cuts to health care services. There was a brief respite in 2004 – 2005 with the new McGuinty government and the “Health Care Premium” which put money back into revenues and services. Then in 2005-06 a new wave of corporate tax cuts again bit deeply into provincial revenues and resulted in a new round of real-dollar hospital cuts that have persisted for a decade.

CHART 3 Annual Tax Cut Impact on Fiscal Capacity in Ontario 1995-96 to 2009-10



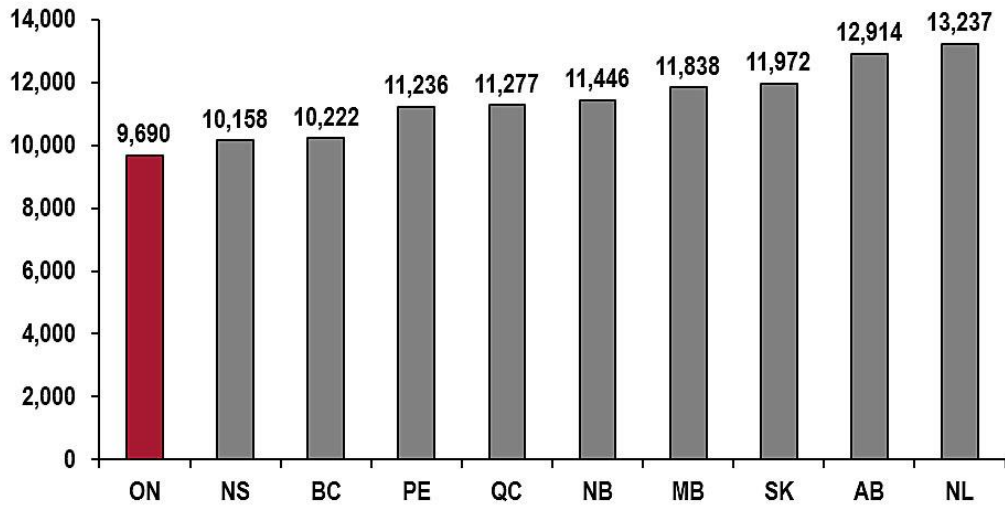
Source: economist Hugh Mackenzie in *Steering Ontario Out of Recession* (March 2010).

As a result, Ontario now has the lowest funding for all public services of any province in Canada. The following chart is from the Ontario Provincial Budget 2018:

CHART 3.3

**Comparison of Program Spending Per Capita
across Provinces, 2017–18**

\$ Per Capita



Notes: For all figures, program spending represents total expenditures less public debt interest. Accounting standards vary between jurisdictions. Values may not be directly comparable. Reflects information available as of March 12, 2018.
Sources: Provincial Budgets and Updates; Statistics Canada (CANSIM 051-0001).