

Ontario Health Coalition

Myth Buster

The bottom line on health funding

The Minister's claim that the government is not curtailing health spending by \$3 billion is wrong. In June, the Ontario Auditor General reviewed the government's projections for health care funding over the next three years. The Auditor reported that government spending projections for health care are based on a 50% reduction in annual health funding increases over this year and the next two years compared to the rate of the last eight years. (See http://www.auditor.on.ca/en/reports_en/2011pre-election_en.pdf) The auditor warns that these targets would entail "aggressive" cuts. He calculated that the government's planned curtailment for hospitals is \$1 billion (page 24 & 25); for OHIP it is \$2 billion (page 25 & 26); and then there are additional cost curtailments to drug programs, long-term care and home care. Thus, the total cost curtailments in health care exceed \$3 billion.

Moreover, since June 2011 when the auditor released his report, the government has twice further reduced health care spending targets. In last fall's budget it was announced that increases to health care spending would be even more limited at an average of 2.1 per cent over the next three years, well below even the harshest of recommendations made by economist Don Drummond.

Is health spending "out of control"?

The Minister's claims that health spending is out of control, poised to "eat up" the provincial budget etc. are untrue.

- Health spending in Ontario is shrinking as a proportion of the total budget and it has been shrinking for more than a decade. (See Ontario Ministry of Finance, budgets 2002 – 2012.)
- Ontario's funding for health care both on a per capita basis and as a percentage of provincial GDP ranks 8th of 10 provinces. (See Canadian Institute for Health Information – CIHI – National Health Expenditures Database, 2012.)
- Ontario's funding of hospitals is less per person than any other province in the country. (Ibid.) By any reasonable measure, while we advocate fiscal prudence, there are no grounds to claim that health spending in Ontario is out-of-control, nor is it eating up the provincial budget. Such claims are simply false.

The health cuts and privatization of local public hospital services are real cuts, for-profit privatization and 2-tier health care. They are not "transformation" to community care and non-profit clinics.

The Minister's claim that hospital cuts are not actually cuts but "transformation" is demonstrably false. Some examples of real cuts that are not being replaced in home care are:

- Cuts to intensive care nurse staffing (Sarnia)
- Cuts to diagnostic imaging and surgeries (Perth, Smiths Falls, Ottawa, London, Scarborough, Ajax-Pickering)
- Cuts to acute care and complex continuing care hospital beds (Chatham, Windsor, Belleville, Picton, Quinte West, Perth and Smiths Falls)
- Cuts to maternity and mental health (Niagara, Picton)
- Movement of emergency department services out of town (Quinte West)
- Cuts/Privatization of physiotherapy and endoscopies (Perth, Picton, Quinte West, Ottawa, Windsor, Hamilton, Toronto)
- Cancellation of hospital redevelopments (putting the future of these hospitals at risk (Kincardine, Wingham, Grimsby)

The full list of cuts across Ontario is available in the Austerity Index which can be found on the Ontario Health Coalition website at www.ontariohealthcoalition.ca.