

Ontario Health Coalition

LETTERS

February 3, 2000

The Right Hon. Jean Chretien
Office of the Prime Minister
Ottawa Canada K1A 0A2
By Fax: (613) 941-6900

Dear Prime Minister:

Re: Alberta proposals to contract with for-profit hospitals

This letter is prompted by your meeting with the Provincial Premiers, as well as Parliament reconvening. Subsequent to our Nov. 27th letter, we are writing with respect to the increasingly dire situation that exists for our treasured health care system if your government does not immediately act. To no one's surprise, the Alberta government continues to relentlessly push its plan to contract-out hospital services to private, for profit companies, including services now publicly insured.

Regrettably, we have not seen the decisive action from you and Health Minister Rock that we had hoped for. Prime Minister, your government cannot claim to be the guardian of Medicare if it allows Alberta to proceed with its plans. If the Premier Klein succeeds, it will both legitimize and pave the way for a parallel private health care system, with increased costs and unequal access. This intention is clear in the Working Understanding agreed to by the federal government with Alberta in 1996. The eleventh principle allows physicians to remain in the public system while offering additional services not publicly insured for which patients must pay directly, either from their own pocket or through private health care insurance. The 'Alberta Approach' defined in the Working Understanding violates the spirit and the intent of the *Canada Health Act*.

Premier Klein's proposal also has serious implications with respect to the exemption of health care as a public service under the NAFTA. It is highly likely that Alberta will be unable to prevent foreign, private, multi-national health care corporations from accessing public funds to operate in the province. Such an outcome will make it impossible for future Alberta governments to 'turn back the clock' and return health services to the public sector without providing compensation to private corporations affected. Other provinces will also face very real threats to maintaining their public health insurance plans. We anticipate that private health care corporations will initiate a challenge under NAFTA's dispute mechanism to determine whether Alberta's legislation nullifies the federal government's exemption for health care.

Canadians want assurances from you that Medicare will be protected. This is true particularly for Ontarians. Despite ample rhetoric, the Harris government is ideologically opposed to the idea of Medicare and a single-tier quality public health care system and seizes every opportunity to privatize health care and sell off its core services. You are no doubt aware that recent CIHI statistics reveal that Ontarians are paying more out-of-pocket costs for health care than residents of any other province. In Ontario, we are confronted by a provincial government that does not legislate, but moves by stealth to create a two-tier system.

On behalf of the Ontario Health Coalition and its 100 member organizations, we are urging you to take the following immediate actions to preserve Medicare :

- The federal government must re-invest a portion of this year's budget in health care to bring its contribution to 25 per cent of total health expenditures. Federal health care transfers need to be channeled through a National Health Care Fund to ensure accountability and transparency. Increased cost-sharing by the federal government will improve access to comprehensive services, reduce waiting lists and strengthen the ability of the federal government to enforce the Canada Health Act. Public funds should not be used in for-profit health care services delivery.
- The Alberta- federal 'Working Understanding' must be rescinded and action taken to stop the privatization of publicly insured health care services in Alberta, either through the Canada Health Act, through new legislation or through its role as the government responsible for protecting its exemption of health care from the rules of NAFTA.
- Medicare must be expanded to include home and community care through the implementation of a Home and Community Care Act in order to ensure that provincial reform of health care is designed to meet the changing health needs of Canadians and to stem the increasing privatization of public health care services.
- The recent WTO meetings revealed a contradiction in the position of the federal government on the question of liberalized trade in services. Health care and social services must be excluded from all trade agreements.

This is a decisive political moment for securing the future of public health care in Canada. We urge you to act now.

Yours very truly,

Irene Harris
OHC Co-Chair

Andy Schmidt
Administrative Committee

cc: Allan Rock, Minister of Health, Government of Canada
Canadian Health Coalition
Friends of Medicare/Alberta
Leaders of Opposition Parties
Provincial Premiers