

# Ontario Health Coalition

## FACT CHECKER: What is the Ford government doing re. health care & hospital funding?

November 11, 2024

In response to media stories about the health care crisis rolling out across Ontario, the Ford government consistently states that they have increased health care funding since they took office. The [recent figures](#) they use are as follows:

*“Under the leadership of Premier Ford, our government is making the largest investment in health care in the province’s history. Since 2018, our government has increased the health-care budget by over 31 per cent, investing over \$85 billion into the system this year alone.”*



Ruling: Manipulative

### Has there been a 31% increase to the provincial health care budget? Not in real dollars.

Since the Ford government took office, they increased the health care budget by \$23.6 billion in nominal dollars. To calculate the 31% increase they used nominal (not inflation adjusted) dollars. Using nominal dollars is manipulative. It doesn’t mean that we have 31% more buying power or 31% more services. Economists use “real dollars” to measure funding increases in constant (inflation adjusted) dollars (more on this below), called “real dollars”. In real dollars, the increase since the Ford government took office is 20.3%. Source: Public Accounts, Government of Ontario each year from 2018-2024. See Appendix I for more sources and details.



Ruling: Manipulative > False

### Is it the largest investment in the province’s history? Not really.

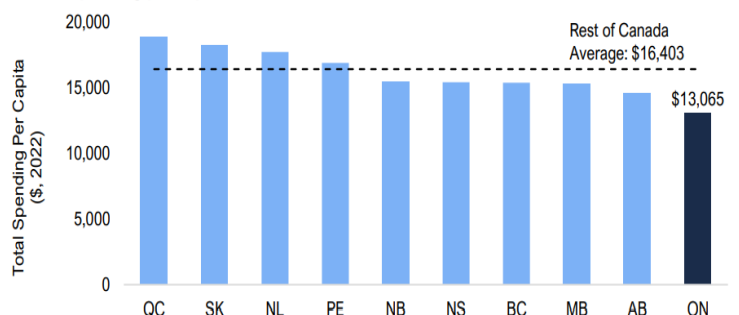
Almost every government could say that they have spent the most on health care in history (and some have claimed that) because each year the population grows and every year there is inflation. Economists use “real dollars” – spending over years calculated in current dollars – and measure

spending per person to evaluate whether or not there have been actual increases or cuts per person. Appendix I breaks down the real dollar funding for health care under the Ford government & Appendix II shows the percentage change in health care funding for each Ontario government going back for 50 years. You can see the Ford government has, for some years, actually shrunk health funding in real dollars and per person since it took office, some years it grew spending, and over its term in office it did not make the largest investment our history.

Health spending in 2022



Ontario's total spending per capita was the lowest in Canada in 2022



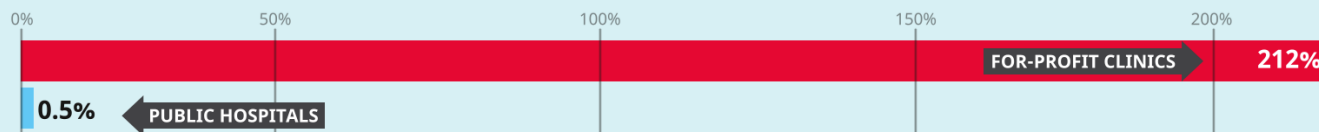
Sources: Statistics Canada Tables 10-10-0024-01, 17-10-0005-01 and FAO.

**IN CONTEXT: Ontario funds our health care, and all our public services, at the lowest rate of any province in Canada**

This results in more user fees & less services.

## Real-dollar cuts for public hospitals, huge funding increases to for-profit clinics

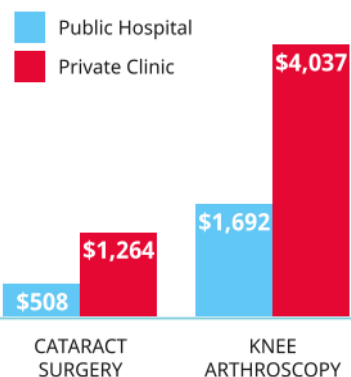
Operating funding for public hospitals is in "real dollar cuts" increasing far below the rate of inflation this year (half of one percent: 0.5%). At the same time, the Ford government has more than tripled the funding for private clinics (up 212%).



Source: Government of Ontario, Budget Estimates 2023-24 & 2022-23.

In the most recent budget year, the Ford government held hospital funding below inflation -- in real dollar cuts -- all year, throwing hospitals into deficit even while we had the worst staffing crisis and hospital closures we have ever seen. Then, only in the last weeks at the very end of the fiscal (financial) year, did they announce a bump up in funding. This enables the Ford government to say that they increased funding in the most recent budget year, but they did it too late to allow hospitals to hire staff, save services, stop closures and so on. In fact, in order to cover staffing needs, hospitals had to incur extra costs for overtime and private for-profit staffing agencies (that cost up to three times more per nursing hour) while receiving real dollar cuts.

## Pouring public money into higher cost health privatization schemes



Source: CBC News: Doug Ford government paying for-profit clinic more than hospitals for OHIP-covered surgeries, documents show November 14, 2023

For-profit clinics and hospitals [charge higher fees](#) to the public system (OHIP) and they extra-bill patients on top. For-profit corporations also have no interest in putting money they take from their patients into improving the public health care system. They take the profits out of the health system for themselves and their investors.

- CBC uncovered contracts that show that the Ford government is using our public tax funds to pay [more than double for surgeries](#) at a private for-profit hospital.
- The Kingston Health Coalition uncovered contracts that show that they [are paying 56% more to do cataract surgeries at a private clinic](#).
- Across the board, the Ford government is paying a premium of 20% from OHIP billings alone (not including extra user fees charged to patients) at private clinics: [they are funding public hospitals approximately \\$500 per surgery and private clinics are getting \\$605 per surgery](#) and the for-profit hospital (the Don Mills Surgical Unit) is getting \$1,264 for the same surgery.

The same public funding would have provided far more surgeries in public hospitals.

Public Hospital Funding Per Capita in 2021	
Newfoundland & Labrador	\$2,592.45
Nova Scotia	\$2,338.19
Prince Edward Island	\$2,185.41
New Brunswick	\$2,148.73
Alberta	\$2,012.21
Manitoba	\$1,964.30
Saskatchewan	\$1,943.52
British Columbia	\$1,813.84
Quebec	\$1,790.02
Ontario	\$1,656.49
Average of the other provinces	\$2,087.63

Source: Ontario Health Coalition calculations from CIHI, National Health Expenditures Database 2023

Hospital Beds Per 1000 People in 2021	
Newfoundland & Labrador	4.43
New Brunswick	3.49
Nova Scotia	3.20
Prince Edward Island	3.16
Manitoba	3.11
Saskatchewan	3.08
British Columbia	2.63
Alberta	2.52
Ontario	2.33
Average of other provinces	3.2

Ontario Health Coalition calculations from: Canadian Institute for Health Information, Data Table: Hospital Beds Staffed and in Operation 2020-2021. Population statistics from Statcan Database 2021

**IN CONTEXT:**  
Ontario funds public hospitals at the lowest rate of all provinces, resulting in most radical downsizing of hospital beds in the country.

# APPENDIX I: Breakdown of Ford Government health funding per year

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## Nominal dollar health funding since the Ford government took office:

An accurate accounting of what the government has spent on health care since it took office can be found in the Public Accounts of Ontario. Each year, in its Public Accounts the government publishes an Annual Report including all revenues, all expenses and multi-year comparisons. This is what Public Accounts says for Health Sector expenditures for each year since 2018 when the Ford government was elected. Note: health sector includes all the one-time COVID funding:

2018/19: [\\$61.9 billion](#)

2019/20: [\\$63.7 billion](#)

2020/21: [\\$69.5 billion](#)

2021/22: [\\$75.8 billion](#)

2022/23: [\\$78.5 billion](#)

2023/24: [\\$85.5 billion](#)

} In the three financial years covered in 2020-2022, \$29 billion of this came in special COVID funding from the federal government.

Total increase in annual health budget in nominal dollars (not real dollars): \$23.6 billion.  
(\$85.5 billion - \$61.9 billion.)

## Real dollar health funding change since the Ford government took office:

Please note: these reports are in current dollars for the year that the report is made. To calculate real dollar spending increases, we need to adjust those figures for inflation. (A cheese burger may have cost 12 cents in 1950 but the average income was \$3,300. The value of a dollar over time changes.) To use nominal dollars to measure government expenditure on social programs will always make it look like they are funding programs much more. Similarly, if we used nominal dollars to measure government revenues – that is the money they take in from taxes, federal government transfers and government business enterprises – it would also look like revenues have skyrocketed. To calculate real dollar costs, we have to adjust to what economists call “real” dollars – or inflation adjusted dollars.

- **2018/19 – 2019/20:** health sector funding increased by \$1.8 billion. This is a 2.9% increase. According to Statistics Canada, health care inflation for April 2019- April 2020 was [1.4%](#). Thus, in the real dollar increase was approx. 1.5%
- **2019/20 – 2020/21:** health sector funding increased by \$5.8 billion. This is a 9.1% increase. (This was the pandemic.) Health care inflation for April 2020 – April 2021 was [2.2%](#). Thus, the real dollar increase was approx. 6.9%.
- **2020/21 – 2021/22:** health sector funding increased by \$6.3 billion. This is an 9% increase. (Again, this was the pandemic.) Health care inflation for April 2021 – April 2022 was [2.1%](#). Thus, the real dollar increase was 6.9%.
- **2021/22 – 2022/23:** health sector funding increased by \$2.7 billion. This is a 3.6% increase. Health care inflation April 2022 – April 2023 was [5.3%](#). Thus, there was a real dollar decrease of – 1.7%.
- **2022/23-2023/24:** health sector funding increased by \$7 billion. This is a 9% increase. (This includes the one-time funding for retroactive pay increases that were awarded after the courts struck down Bill 124- the Ford government’s wage caps of 1% on nurses, health professionals and public non-profit health care staff.) Health care inflation for April 2023- April 2024 was [2.3%](#). Thus, the real dollar increase was approximately 6.7%.

**Total health sector funding percentage change using real dollars, approximately 20.3%**

## Federal Pandemic Funding:

The amount of funding in the last six years includes the special COVID funding flowed from the federal government to the provinces during the pandemic. For three years (2020-2022), that special funding amounted to \$29 billion.

# APPENDIX II: The evidence re. Ontario health funding over 50 years

Public Health Spending Per Person: Percentage change each year in current dollars (2023) under each Ontario Government 1985- current		
Government	Year	% Change
Liberal - David Peterson	1985	8.9
	1986	10.6
	1987	8.6
	1988	9.1
	1989	8.1
		Total 51%
Liberal - Peterson/ NDP - Rae	1990	5.7
NDP - Bob Rae	1991	9.1
	1992	3.0
	1993	-2.0
	1994	-0.3
		Total 9.8%
NDP - Rae/ Conservative - Harris	1995	-1.9
Conservative - Mike Harris/Ernie Eves	1996	-0.4
	1997	0.9
	1998	6.3
	1999	4.7
	2000	9.5
	2001	4.4
	2002	5.3
		Total 39.5%
Conservative - Eves/ Liberal - McGuinty	2003	10.7
Liberal - Dalton McGuinty/Kathleen Wynne	2004	5.9
	2005	5.2
	2006	5.0
	2007	8.0
	2008	4.4
	2009	5.5
	2010	3.2
	2011	1.9
	2012	3.8
	2013	1.3
	2014	1.8
	2015	1.6
	2016	1.1
	2017	2.1
Liberal - McGuinty-Wynne/ Conservative - Ford	2018	2.6
Conservative – Doug Ford	2019	2.5
	2020	19.9*
	2021	5.8*
	2022 f	-2.5*
	2023 f	-0.8
		Total 27.5%

Peterson took power  
June 26, 1985 –  
Majority of the year was  
under Peterson gov't

Rae was elected  
Sept. 6, 1990 – Majority  
of the year was under  
Peterson gov't

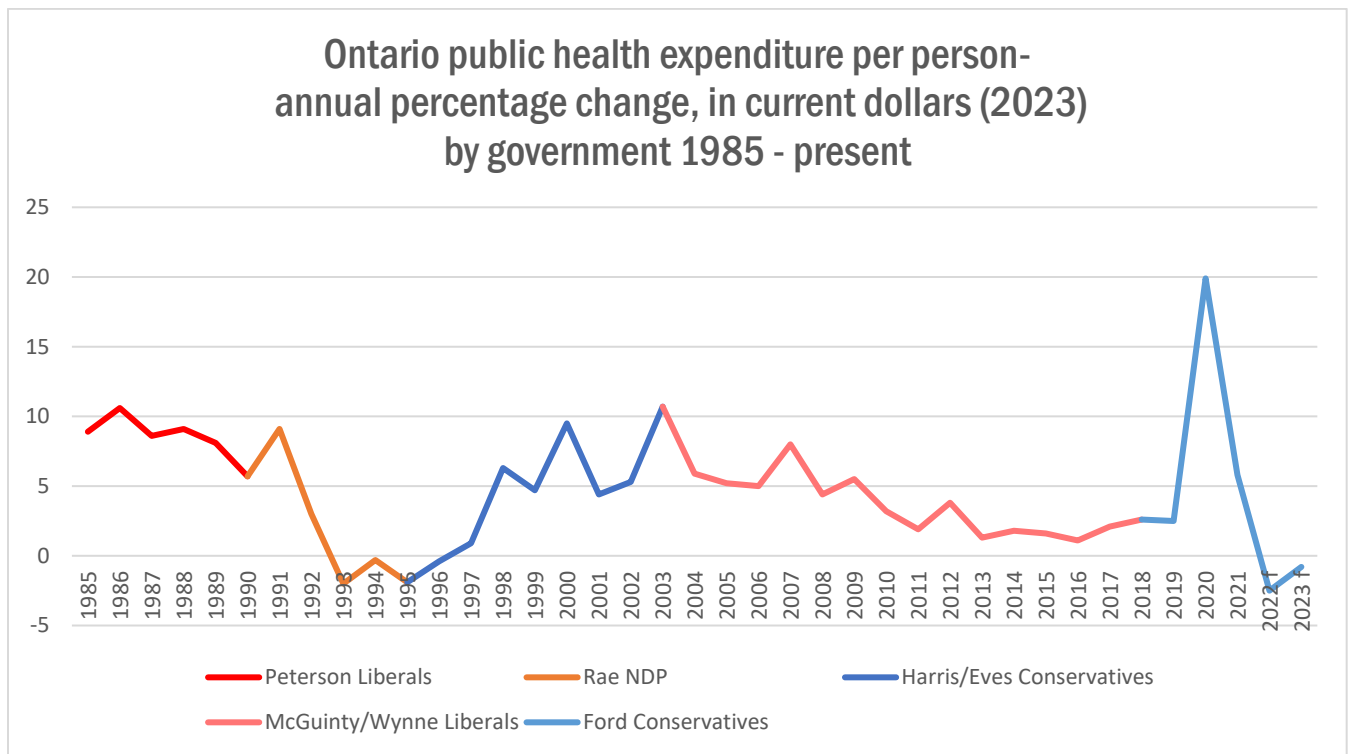
Harris was elected  
June 8, 1995 – Majority  
of the year was under  
Harris gov't

McGuinty was elected  
October 2, 2003 –  
Majority of the year was  
under Eves gov't

Ford was elected  
June 7, 2018 – Majority  
of the year was under  
Ford gov't

\* These three years include exceptional federal funding flowed to the provinces for the COVID pandemic.

# APPENDIX II: The evidence re. Ontario health funding over 50 years cont'd...



Source: Per capita spending per year in real dollar terms data is from the Canadian Institute for Health Information (CIHI), *National Health Expenditures Database 2023*.

# APPENDIX III: The evidence re. public hospital funding

The story these numbers tell is that the Ford government held hospital funding in real dollar cuts all year, throwing hospitals into deficit even while we had the worst staffing crisis and hospital closures we have ever seen. Then, only in the last weeks at the very end of the fiscal (financial) year, did they announce a bump up in funding.

The last minute funding increase enables the Ford government to say that they increased funding in the most recent budget year, but they did it too late to allow hospitals to hire staff, save services, stop closures, and mitigate extra costs that hospitals had to pay for overtime, locums, for-profit staffing agencies and other consequences of severe understaffing such as accidents, injuries and medical errors. In any case, that funding bump up was mostly to fund one-time retroactive wage increases for health care staff after Bill 124 – the legislation that put a 1% cap on nurse, health professional and health care workers’ wages – was struck down by the courts.

Program	Spending Plan	Q1 Adjustments	Q2 Adjustments	Q3 Adjustments	Q4 Adjustments	Revised 2023-24 Spending Plan (D+E+F+G+H)
<b>YEAR: 2022/23</b>						
Operation of Hospitals	22,883,475,900	0	230,419,000	0	-4,473,300	23,109,421,600
Specialty Psychiatric Hospitals	770,202,000	0	0	0	32,290,100	802,492,100
<b>Total hospitals</b>	<b>23,653,677,900</b>					
<b>YEAR: 2023/24</b>						
Operation of Hospitals	23,010,456,400	214,350,000	0	0	2,468,449,400	25,693,255,800
Specialty Psychiatric Hospitals	758,680,300	0	0	0	41,730,900	800,411,200
<b>Total hospitals</b>	<b>23,769,136,700</b>	<b>214,350,000</b>			<b>2,510,180,300</b>	

**CALCULATIONS:**

Increase 2023/24 over 22/23:	0.00488122	First quarter (Apr-June '23) increase:	0.009017997
Total:	0.49%	= 0.9% increase in Q1 (still less than 1%)	New total:
= less than half of one percent	funding increase in 2023/24	= 10.5% increase at the end of Q4	23,983,486,700

Health care inflation Jan. '23 – Jan. '24 3.60%

That means funding has been far less than even inflation (let alone population growth and aging).  
 When funding does not keep pace with inflation economists call it "real dollar cuts".

Sources: Financial Accountability Office of Ontario Q4 reports for 2022-23 and 2023-24 here: 2022/23 <https://www.fao-on.org/en/Blog/Publications/2022-23-expenditure-monitor-q4> go to the link: <https://tinyurl.com/3mfpmnhj> under "Actual Unaudited Spending v Planned Spending" and same for 2023/24 <https://www.fao-on.org/en/Blog/Publications/2023-24-expenditure-monitor-q4> and the specific spreadsheet link under the same section as previously <https://tinyurl.com/yc3z92b3>. In those spreadsheets, scroll down to the Ministry of Health and the first item is hospital operating budgets, a few lines down is psychiatric hospitals.