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Opening Statement

House of Commons Standing Committee on Finance Study of Bill C-38

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Thank you for this opportunity to appear before this committee on behalf of the CMA and its 76,000 members. Canadians believe that transforming our health care system to meet the needs of 21st century Canada must be among the highest priorities for all levels of government, including the federal government.

I would like to begin by commenting on the health transfer framework announced by the Minister of Finance in December. This announcement provided some predictability for the years ahead.

However, with the federal government reducing its involvement in several areas affecting health or health care, added costs will end up in the laps of the provinces and territories.

So while this budget may enhance the federal government's fiscal prospects, it will do so to the detriment of the provinces and territories.

But there's more to this debate than funding. We believe that Canadians would be better served if federal health care transfers came with specific guidelines ensuring that the system provides care of comparable access and quality to Canadians across the country, regardless of their circumstances.

We are encouraged that the Minister of Health has indicated she wants to collaborate with the provinces and territories on developing accountability measures to ensure value for money and better patient care. We look forward to the minister's plan for accountability.

This budget is notable for other missed opportunities. For many years, groups across the political spectrum have called for a pharmaceutical strategy to reduce national disparities. In fact, such a strategy was committed to by governments under the 2004 Health Accord.

Minister Kenney referred to this issue indirectly when he said the recent cancellation of supplemental health benefits for refugee claimants is justified because refugees should not have access to drug coverage that Canadians do not have.

Rather than cutting off those desperately vulnerable people, Canada's physicians urge the federal government to work with the provinces and territories to develop a plan that ensures all Canadians have a basic level of drug coverage.

Indeed, we now appear to be in a race to the bottom in the way we treat vulnerable groups – by, for example, deferring Old Age Security for two years; and changing service delivery to veterans, mental health programs for our military and the Employment Insurance program.

Significant policy changes have been announced since the budget, with little opportunity for debate and little evidence provided. We note, as well, the lack of open consultation with Canadians on matters of great import to their lives. Successful policy requires buy-in, which is best achieved when those interested are able to participate in the policy-making process.

This brings me to a wider concern shared by our members – that policy-makers are not paying adequate attention to the social determinants of health, factors such as income and housing that have a major impact on health outcomes. We remind the government that every action that has a negative effect on health will lead to more costs to society down the road.

The federal government is the key to change that benefits all Canadians. While there are costs and jurisdictions to consider, the CMA believes the best way to address this is to make the impact on health a key consideration in every policy decision that's made. The federal government has used this approach in the past, in considering rural Canadians, for example.

We therefore call for a new requirement for a health impact assessment to be carried out prior to any decision made by cabinet. This would require that, based on evidence, all cabinet decisions take into account possible impacts on health and health care, and whether they contribute to our country's overall health objectives. A similar model is in use in New Zealand and some European countries.

For instance, what health impact will cuts in funding to the tobacco strategy have?

Such an assessment would in particular have a dramatic impact with regard to poverty. Poverty hinders both human potential and our country's economic growth – and needlessly so as there are many ways to address it effectively.

The National Council on Welfare – which will disappear as a result of this budget – reported last fall that the amount it would have taken in 2007 for every Canadian to have an income over the poverty line was \$12.6 billion, whereas the consequences of poverty that year added up to almost double that figure.

Close to 10 per cent of Canadians were living in poverty in 2009, many of them children, as UNICEF underlined yesterday. This is a huge challenge for our country.

In closing, as this budget cycle ends and as you begin to prepare for the next, please bear in mind that as prosperous as our country is, if we do nothing for the most vulnerable in our society – children, the elderly, the mentally ill, Aboriginal peoples – we will have failed.

Thank you.