



## Counsel for the Council

As we approach the 2014 expiry date of the Canada Health Transfer, Canadians likely will hear a lot more from the Council of the Federation. The Council was created in 2003 by the provincial and territorial Premiers in what was heralded as a ‘new era’ in intergovernmental relations.

The purpose of the Council is to promote cooperation and closer ties among provinces and territories. A formal body was set up to enable them to play a leadership role in revitalizing the Canadian federation and in building a more constructive and cooperative federal system.

While the Council tackles a range of issues, it has focused considerable attention in recent years – not surprisingly – on health care. Health care comprises the single largest expenditure for provincial and territorial governments.

In fact, health care represented an average 39.2 percent of total provincial and territorial program spending in 2009, according to the latest data available [CIHI 2010].

Ontario and Manitoba directed the greatest proportion of their budgets toward health care at 45.7 percent and 43.7 percent, respectively. Newfoundland and Labrador and Quebec, by contrast, spent the lowest proportions at 33.8 percent and 33.1 percent, respectively.

While health care spending as a share of total program expenditure grew across Canada between 2000 and 2004, it has remained stable on average for the past four years [CIHI 2010]. Yet the health care system continues to face serious pressures. The rising incidence of chronic disease is a major red flag for the future. More advanced treatments and new technologies come with high effectiveness – and price tags.

Subsequent to its meeting on July 22, 2011, the Council of the Federation issued a statement on Health Sustainability. The Premiers identified four areas on which they are focusing attention:

- shortening wait times for key procedures

- finding efficiencies
- improving access to primary care
- emphasizing healthy living, which will improve quality of life.

The Premiers also discussed progress on a major initiative that they began in 2010. Through the pan-Canadian alliance for medical equipment and supplies, and for common drugs, participating provinces and territories are using their combined purchasing power to collectively negotiate drug pricing. Drug costs are a major driver of health expenditure. Provinces and territories are also collaborating on clinical practice guidelines.

It is of interest that nearly a decade ago, Premiers published an accord that preceded the 10-year Canada Health Transfer agreement with the federal government. Like the current Council of the Federation *communiqué*, the 2003 *First Ministers' Accord on Health Care Renewal* identified primary care reform and catastrophic drug coverage as major concerns.

But another area that figured prominently at the time – home care – has not appeared (at least not explicitly) on the Council of the Federation's statements.

Here is what the Premiers said back in 2003:

Improving access to a basket of services in the home and community will improve the quality of life of many Canadians by allowing them to stay in their home or recover at home. First Ministers direct Health Ministers to determine by September 30, 2003, the minimum services to be provided. Such services provided in the home can be more appropriate and less expensive than acute hospital care. To this end, First Ministers

agree to provide first dollar coverage for this basket of services for short-term acute home care, including acute community mental health, and end-of-life care. First Ministers agree that access to these services will be based on assessed need and that, by 2006, available services could include nursing/professional services, pharmaceuticals and medical equipment/supplies, support for essential personal care needs, and assessment of client needs and case management. The Government of Canada will complement these efforts with a compassionate care benefit through the Employment Insurance Program and job protection through the Canada Labour Code, for those who need to temporarily leave their job to care for a gravely ill or dying child, parent or spouse.

Ottawa did, in fact, introduce compassionate care leave provisions – though these are very restrictive in their eligibility. Clearly, the associated commitments on community care have not yet been achieved.

Of course, one could argue that that was then and this is now. The players have changed and the new cast of characters is writing its own screenplay.

Moreover, at a meeting of finance ministers held on December 19, 2011, federal Finance Minister Jim Flaherty unexpectedly announced a new federal health funding plan for the provinces and territories. It may well be that negotiated accords on health care are a thing of the past.

But we dismiss the past at our peril. Here's why:

- There can be no fundamental reform of the health care system

unless improved supports are in place for long-term care. Thousands of hospital beds are being occupied by people with no other place to go – at great financial cost to governments and emotional cost to both patients and families.

- The long-term care crisis can be eased partly through increased support for home care – a centre-piece of the 2003 Accord.
- Informal caregivers provide an estimated 85 percent of care for the elderly and persons with severe disabilities. The loud volume on the formal care system is drowning out the voices of those doing the heavy lifting – literally – when it comes to ongoing care.

Community care should figure prominently when the Premiers resume their conversations at the upcoming meeting in Victoria on January 16 and 17, 2012. There can be no renewal of health care without a renewal of pledges on care for health – at home.

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