

FACT SHEET

Health care

The Harris/Eves Conservative Government Record

- “Balanced” its budget, partly by creating deficits in Ontario’s hospitals of about \$2 billion in 2002-03 (\$405 million operating, \$1.515 billion capital)
- Cut 5,918 hospital beds since 1995, throwing emergency rooms into overload. Plans to increase the number of beds rely on investor-owned for-profit institutions, despite new federal transfers to help sustain and reform public health care.
- Reduced front line staff. In 1995, there were 183 hospital staff and 101 long-term care staff for every 10,000 Ontarians. Today there are 153 hospital staff and 75 long-term care staff per 10,000 citizens. About 14,000 more registered nurses need to be hired to return to 1986 RN-to-population ratios. Ontario has the second lowest nurse to population ratio in the country
- Handed over the majority of contracts for long-term care to for-profit corporations. Ontario now has one of the worst staffing and care levels in the country and among the highest costs.
- Privatized homecare, cut thousands of seniors’ home support services, then closed off the sector from public access to information. The government introduced legislation giving themselves the power replace community Boards and wipe out community membership on governing bodies for homecare.

The Ontario Alternative Budget Proposal

We know there is a better way. We would:

- Ensure every cent of the new federal transfers are used for health care improvements, not tax cuts
- Place a moratorium on public funding of for-profit health care, whether that is via P3 hospitals, private MRI and CT clinics, home care, or long-term care.
- Stabilize existing not-for-profit hospitals by reducing their debt-loads
- Make primary care reform a reality. Target staffing levels that are consistent with the rest of the country. Expand the number of Community Health Centres in the province, and invest in “upstream” programs that emphasize health promotion and harm-reduction techniques.

Over the next two years, total health spending would increase by \$3.7 billion. \$2.2 billion would be provided in the first year.



What does the Ontario Alternative Budget do?

The Ontario Alternative Budget Working Group is made up of economists and researchers from labour, social, and faith groups. We have first hand experience with the impact of eight years of Harris/Eves policies. We know there is a better way.

Our budget does three things:

- One: It discredits the Harris/Eves government's claim that its tax cuts and fiscal policies have produced substantial gains for middle-income earners;
- Two: It documents the devastating impact of the Harris/Eves government policies on Ontarians; and
- Three: It proposes an alternative budget that would restore public services to their real per-capita 1995-96 level with a balanced budget.

Problems

- Social assistance cuts of 21.6 percent have meant a reduction in purchasing power for the poorest families in the province of 35 percent by August 2003. We see record participation in food banks, record number of homeless too many of them families.
- The sum effect is a huge change in the public economy of this province. The relative size of Ontario's public economy has been cut by almost 20 percent.
- The sum total impact of all Ontario's tax cuts, including personal income tax cuts, corporate tax cuts, and employer health tax cuts, is over \$15 billion. That is the impact in 2003-04 alone.
- Sixty percent of the benefit from the Harris/Eves tax cuts has gone to the highest 20 percent of income earners.
- Independent reports on health and on education confirm that massive reinvestment is needed in these key areas. The Walkerton inquiry showed the devastating impact of a government more concerned with the bottom line than with people's lives.

Solutions

The Ontario Alternative Budget proposes to

- Increase revenues in order to restore public services and balance the budget. We can do this by minimally raising all personal income taxes (0.25%), introducing new tax brackets for those earning over \$100,000, cancelling future corporate tax rate cuts, and eliminating the graduated rate structure for the Employer Health Tax.

The Choice

The Ontario Alternative Budget shows that

- Ontario's public services deficit is not inevitable but the result of political choices made by a government that is not interested in the greater public good.
- It is possible to reverse the damage caused by the Harris/Eves government and repair our public services within a responsible taxation and fiscal framework.

Need more information? Contact us:

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