CANADIAN COALITION FOR PUBLIC HEALTH IN THE 21ST CENTURY

COALITION CANADIENNE POUR LA SANTÉ PUBLIQUE AU 21e SIÈCLE

An Investment in Public Health: An Investment in Canada's Economic Recovery & Future Prosperity

Pre-Budget Consultation Brief to the
House of Commons Standing Committee on Finance

Submitted by the

Canadian Coalition for Public Health in the 21st Century (CCPH21)

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Who we are

The Canadian Coalition for Public Health in the 21st Century (CCPH21), established in 2004 following the SARS outbreak, is a network of over 30 national non-profit organizations, professional associations, health charities and academic researchers who share the common goal to improve and sustain the health of Canadians. Over the years, the CCPH21 has consistently called for strong federal leadership in public health and investment in our country's public health infrastructure, including full support for the Public Health Agency of Canada (PHAC), the development of and support for a competent and fully-resourced public health human workforce, and the implementation of effective population-based programs and initiatives such as the National Immunization Strategy.

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Executive Summary

The Canadian Coalition for Public Health in the 21st Century (CCPH21) welcomes this opportunity to share with the Standing Committee on Finance its views on why an investment in public health is an investment in Canada's economic prosperity. The issues of "health" and "healthcare" remain a priority in the minds of Canadians. "Public Health" in Canada consists of services, programs, institutions and activities that promote and protect health and prevent disease within society. The public health "system" in Canada has been defined as the services and programs delivered through front-line public health units, health care facilities and other institutions and agencies that relate to several essential functions: population health assessment, health surveillance, health promotion, disease and injury prevention, health protection, and emergency preparedness. Investing in the "up-stream" elements of the health system (i.e., the public health functions) reduces the anticipated burden on the "down-stream" emergency and acute care services.

In recent years several factors, including the economic recession and the H1N1 pandemic, have combined to place the country's public health system under considerable strain. The capacity of our public health "system" to respond to protect the health of Canadians remains an issue warranting renewed attention by all levels of government.

In response to the invitation extended by the Parliamentary Standing Committee on Finance for input into the preparation of the federal budget for 2012-2013, the CCPH21 calls upon the Government of Canada to consider three recommendations:

That the federal government explore and put into place incentives and strategies tailored to the for-profit and not-for-profit sectors as well as for communities to support the implementation of cost-effective interventions that address the social determinants of health, especially as they concern populations affected by conditions that predispose to vulnerability.

That the federal government maintain and if possible increase support to the Canada Graduate Scholarship Program and support the creation of new employment opportunities within public health units, agencies and organizations across the country.

That the federal government maintain at its 2010-2011 level the budgetary support to the Public Health Agency of Canada, and strive to attain the recommended level of funding in support of PHAC as made by the National Advisory Committee on SARS and Public Health in 2002.

Introduction

In its October 2005 pre-budget submission to the Standing Committee on Finance in October 2005, the Canadian Coalition for Public Health in the 21st Century (CCPH21) called for an ear-marking of a portion of the resources to be provided through the 10-year Canada Health Transfer plan (the 2003/2004 Health Accord) for public health activities.[1] It also called for funding for federal public health functions, including the ongoing operation of the Public Health Agency of Canada, public health partnerships, the prevention and control of communicable and non-communicable diseases, and the promotion of the health of all Canadians, at the funding level recommended by the Ad Hoc Committee on the Future of Public Health in Canada.[2]

The CCPH21 has over the intervening years called for strong federal leadership in public health and investment in our country's public health infrastructure, including public health human resources and population-based programs and initiatives such as the National Immunization Strategy. Many of CCPH21's member organizations have submitted pre-budget briefs in recent years that also called for an investment by the federal government in essential public health operations, services and programs.

CCPH21 welcomes this opportunity to share with the Standing Committee members its views on how an investment in public health will contribute to Canada's economic recovery and future prosperity.

Investing in the Public Health System for Economic Recovery and Prosperity

The issues of "health" and "healthcare" remain a priority in the minds of Canadians.[3] In a poll conducted by Ipsos Reid on July 21, 2011, nine in ten respondents "agreed" that the federal government should play a leading role in the transformation of the health care system. This same poll found that while 60% of respondents felt it was "very important" that the health care system address the health and wellbeing of Canadians by adequately funding health promotion and disease prevention, only one in ten (10%) felt that it was doing a "very good job" in this regard.[4]

Canada is presently facing three issues that have implications for our health, our health system and our country's future prosperity. The first is the international economic situation; the second is the potential resurgence of infectious diseases with a potentially high risk of contagion that could affect a large segment of our population, such as the H1N1 influenza; and, the third is the financial burden facing the health care system as it responds to the multiple demands placed upon it, whether these be related to delivering front-line clinical services, hospital-based services, through to end-of-life palliative care. Their combined impact on a health system already under considerable stress could result in system failure.[5]

"Public Health" in Canada consists of services, programs, institutions and activities that promote and protect health and prevent disease within society. The public health "system" in Canada has been defined as the services and programs delivered through front-line public health units, health care facilities and other institutions and agencies that relate to several essential functions: population health assessment, health surveillance, health promotion, disease and injury prevention, health protection, and emergency preparedness. Investing in the "up-stream" elements of the health system (i.e., the public health functions) reduces the anticipated burden on the "down-stream" emergency and acute care services.

We already have a burdened health system. The country's public health system is no exception. Many local public health units are under considerable strain to respond to the "normal" demands for public health services. We have known for several years that the public health infrastructure is under-resourced and inadequately funded. The economic situation that has affected and continues to affect our country, the influenza pandemic, and the scarcity of public health resources add additional burden to the system and are harbingers of a public health emergency in the making. Canada must move from a "just-in-time" approach to one which is well-prepared and sustainable. Consistent and long-term investment in health promotion, disease prevention, health protection, and emergency preparedness are needed now to avoid system collapse and to ensure the sustainability of our health system for future generations.

The future responsiveness of the health system is highly dependent on the capacity of the country's public health system to function effectively and efficiently. We learned many lessons from the SARS

outbreak, the contaminated water supply situations in Walkerton and North Battleford, and from the listeriosis and H1N1 outbreaks. But despite the many recommendations and actions taken to address these situations, the capacity of our public health "system" to respond to protect the health of Canadians remains an issue warranting renewed attention by all levels of government.

Have sufficient and targeted investments been made to ensure a sustainable response by the publicly-funded health system in the event of several simultaneous demands? Does the system have the "surge capacity" needed to respond in a full and effective manner? CCPH21 believes that the health system in Canada does not yet have that capacity.

i. Achieving a sustained economic recovery

A sustained economic recovery is dependent upon a healthy and productive workforce, families and communities. The financial crisis of the past few years resulted in an increase in both unemployment and in the number of Canadians whose livelihood and financial security are at risk. Unemployment hit in June 2009 an 11-year high, with the highest unemployment rates among young people and men aged 25-54 years of age. Some cities, including former major manufacturing centres, registered official unemployment rates of almost 18% while the number of unemployed people no longer looking for jobs increased considerably.[6] The most recent data released by Statistics Canada indicates that the poverty rate for all persons rose from 9.4% to 9.6% in 2009 compared to 2008, and the child poverty rate rose from 9.1% to 9.5%.[7] Although the number of people employed has risen and the unemployment rate has remained stable over the past few months, there has been a marked replacement of full-time employment by short-term, precarious jobs.

The full impact of the economic situation for the health and well-being of Canadians is unclear. Some segments of the population can be expected to suffer more than others, particularly the poor, the marginalized, the elderly, and those living in economically-depressed places. Evidence from several recent studies and reports point out a strong relationship between income, socio-economic status and health.[8,9] These include a strong link between:

- income and rates of suicide (in particular among Aboriginal youth);
- income, education, housing conditions, unemployment and health outcomes; and
- income and early childhood development.[10]

A study published this year showed strong correlation between the health impacts of precarious employment and income insecurity on racialized people (people from outside the historically dominant white population).[11] These included mental health issues (e.g., depression, addictions), digestive disorders (e.g., ulcers, constipation), physiological impacts (e.g., chronic exhaustion, weight gain/loss, chronic pain), cardiovascular impacts (e.g., hypertension, high blood pressure) and direct workplace injuries. A large percentage of study participants (40%) self-rated their current health as "fair" or "poor", a rate 4 to 5 times higher than for average Canadians. Participants were particularly concerned about the impact on the health of family and children.

As pointed out by the Health Council of Canada, governments must change their approach to addressing the needs of poorer and socially disadvantaged Canadians as a means of controlling health care costs.[12] Simply increasing spending on health services without due consideration of the broader socio-economic and contextual factors that influence individual and community health will not necessarily result in a healthier workforce or population. Shifting attention to strategic investments in the socio-economic determinants of health will deliver not only improvements in health outcomes, but also cost-savings and economic benefits.[13,14] As the Conference Board of Canada further noted, well-targeted interventions in disease prevention, health promotion and health protection measures have the potential to produce long-term cost savings not only for companies and businesses, but more importantly for the health case system as a whole.[15] The for-profit sector in Canada can and should be encouraged to take action to the social determinants of health.

For this reason, the CCPH21 endorses and urges the Ministry of Finance to consider seriously the call made by the Conference Board of Canada, the Health Council of Canada and other organizations for incentives that promote and support the implementation of work-based and community-based public health strategies and interventions that target the social determinants of health.

Recommendation #1:
That the federal government explore and put into place incentives and strategies tailored to the for-profit and not-for-profit sectors as well as for communities to support the implementation of cost-effective interventions that address the social determinants of health, especially as they concern populations affected by conditions that predispose to vulnerability.

ii. Creating high-quality sustainable jobs
The health sector in the Canadian economy produces very high quality and high value-added jobs. The health sector represents the third largest employer in Canada's service sector. As noted by Informetrica Limited, a $1 billion investment in health-related services could boost GDP by a factor of 1.8 and create almost 18,000 jobs.[16]

On several occasions CCPH21and other health sector organizations have called for investment by the federal government to support an expanded health human resource infrastructure.[17] One of the critical elements of a strong, sustainable and effective health system is its human resource capacity. A critical element of a vibrant and responsive health system is the specialized professionals and practitioners who prevent disease and injury, and promote and protect the health of all Canadians, this being the public health workforce. The country's health care workforce, including its public health workforce, is, however, stretched to the limit.[18] An effective and functional pan-Canadian public health system requires continued and substantial investment. It requires capable leadership and stewardship, qualified and resourced public health processionals, practitioners and allied workers, an effective and expanding human resource base, reliable public health surveillance and data analysis capacity and the means to transform the data into relevant and timely public policy, programs and services, and adequate supporting infrastructure.[19] If the health system is expected to meet the needs of Canada's population, particularly during this period of economic uncertainty and given the additional potential threats to the public's health, the number of people working in health, including those working in public health, has to be expanded quickly.

The federal government has invested significantly in Canada's knowledge infrastructure through improved physical infrastructure at universities and colleges and a temporary expansion of the budget for the Canada Graduate Scholarship Program. Increasing investment in Canada's knowledge generation and skills/competency building in the health domain would contribute to expanding not only the public health workforce, but as well create opportunities within the health sector to hire new graduates and support their capacity to design and deliver cost-effective disease prevention, health promotion and health protection interventions. Nonetheless, federal investment in the Canada Graduate Scholarship Program is scheduled to decrease by 22% in fiscal year 2011-2012 from the $36.25 million allocated in 2010-2011.[20] Although this is offset somewhat by an increase in budgetary allocations to the Vanier Canada Graduate Scholarships program managed by CIHR[21] and an increase in the estimated allocation in 2011-2012 for "grants to graduate students, post-graduate students and Canadian post secondary institutions to increase professional capacity and training levels in order to build an effective public health sector" administered through the Public Health Agency of Canada (PHAC)[22], the CCPH21 is concerned about the impact of cutbacks in budgetary allocations by the federal government in support of public health-oriented post-secondary scholarships.

Although education, per se, is a provincial area of competence and jurisdiction, the CCPH21 urges the federal government to review and if possible increase its support to students pursuing studies in the health sciences/public health/population health and to support the creation of new employment opportunities within the public health sector.

Recommendation #2:
That the federal government maintain and if possible increase support to the Canada Graduate Scholarship Program and support the creation of new employment opportunities within public health units, agencies and organizations across the country.

iii. Ensuring relatively low rates of taxation and achieving a balanced budget

CCPH21 appreciates the challenge facing the federal government as it attempts to achieve a balanced budget during a time of economic uncertainty. In this regard, CCPH21 will address two issues:

1. Value for money through investing in the upstream public health elements: Health spending in Canada has risen to nearly 12% of Gross Domestic Product and continues to increase on an annual basis in terms of its share of total provincial and territorial spending (approaching 50% of total program spending in Ontario and several other provinces). The health promotion and protection aspects of public health are particularly important as up to 80% of the current burden of disease in Canada is due to chronic diseases, the vast majority of which are preventable.[23] In the long run, investing in the "up-stream" population-based health promotion and disease prevention components of the health system is more cost-effective than increasing support to the "down-stream" components.[24]

2. Protecting the country's national institution for disease prevention and control: The report of the National Advisory Committee on SARS and Public Health (2003) highlighted the low level of public investment in public health at the beginning of the 21st century (estimated to be at that time equivalent to 3.5% of total health expenditures).[25] It also called for a federal commitment to national public health functions of $1.1 billion per year. This figure included a baseline budget of $500 million (in 2002 dollars) for the Public Health Agency of Canada's (PHAC) core functions *plus* an additional $200 million for public health protection and promotion, both with an inflation-adjusted annual increase to cover the expansion of the core functions. In constant dollars, this would translate into a current annual federal support to PHAC of approximately $850 million.

   The Naylor Committee's recommendation has not been fully realized. Over the past few fiscal years, the allocation to PHAC increased from roughly $506.5 million for fiscal year 2007-2008, to $678 million in fiscal year 2010-2010.[26] This translates into a net annual increase of approximately 7%, assuming an average annual inflation rate of 1.5% across the intervening four fiscal years. The budget allocated to PHAC decreased by 10.3% between 2007-2008 and 2008-2009, from approximately $658.3 million to $590.5 million, but then increased substantially in 2010-2011 due in part to expenses related to the H1N1 outbreak response.[27]

   The government's strategic review announced in 2009 indicated a target of $167.8 million to be taken from the Health Canada and PHAC budgets over three fiscal years (2009-2012).[28] In the 2011-2012 estimates, the CCPH21 is concerned to note a planned reduction of $55.3 million in PHAC's budget.

   With the current national economic situation, the need to invest in effective prevention measures as a means of addressing the increasing burden of disease in Canada related to non-communicable and infectious diseases, and the ever-present threat of new diseases, a strong, well-funded national public health institute is critical to ensure the well-being, economic prosperity and security of Canadians. For this reason, the CCPH21 urges the federal government to ensure that the federal government's lead public health body is fully funded to ensure that it has at its disposal the human and technical resources required to fulfill its mandate to protect and improve the health of all Canadians.

Recommendation #3:

That the federal government maintain at its 2010-2011 level the budgetary support to the Public Health Agency of Canada, and strive to attain the recommended level of funding in support of PHAC as made by the National Advisory Committee on SARS and Public Health in 2002.

It is imperative that Canada be prepared to respond in a timely and effective manner to existing and potential threats to the well-being, health and prosperity of its citizens. An effective health system includes a robust public health component. Neglecting the needs of the public health component will make our responses to health threats merely reactive. As a provincial premier noted, not being prepared for public health threats is like witnessing a multi-vehicle health care pileup in the making.[29]

Endnotes

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