

## Standing Committee on Finance (FINA)

### Pre-budget consultations 2012

## Janet Maher

### Responses

#### 1. Economic Recovery and Growth

*Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?*

Intervening as health care providers, we think it is important to recognize the leadership role of governments and communities to work together to enhance economic growth and productivity. Government leadership is critical to maintain and enhance the benefits of Canada as a destination of choice for immigrants and corporate investors, because of the benefits of our publicly funded health regime, and the high quality of life enabled through a cooperative federalism, in which inequities in resources are minimized through financing for social purposes and for infrastructure maintenance and development. As taxpayers, we understand that there is only one payer, whether to federal or provincial/territorial coffers. While delivery can and should continue to be at the provincial level, the only realistic way for us to maintain equity across the country is to have a strong federal leadership, to focus attention both on promising practices, in health care, health promotion, community and business development, and to enforce minimum standards of compliance to the Canada Health Act—as a central element of keeping us competitive and buffering Canadians from the vagaries of global economic trouble.

#### 2. Job Creation

*As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?*

As the vigour of the Canadian economy faces uncertainty, Canadians increasingly rely on the leadership of the federal government for stability. In Canada, it is often a shortage of highly skilled labour that limits potential economic growth. Experts predict increasing shortages of highly skilled labour in many sectors of the economy, on top of already significant shortages. The current generation of workers is retiring while at the same time becoming increasingly preoccupied providing care for aging family members who are not adequately supported. Health human resources currently account for approximately 10% of our current labour force, which includes a growing number of highly productive health provision industries. As such, the health human resources sector is a vital component of a healthy Canadian economy. We recommend modernizing the provision of health and community care with targeted investments in home care and long term care. This will encourage highly skilled human resources to remain in the workforce. It will liberate family members from some complex care tasks so that they can continue to effectively contribute to the economy. Moreover, investments in higher education and training for youth are vital for sustained economic growth. There have been some important steps in recent budgets to support technical education, but this needs to be expanded. Young lives are being lost figuratively and literally as youth fail to receive appropriate training for the current job market. Focusing educational priorities on vulnerable sections of society, such as young Aboriginals and youth living in poverty will alleviate stresses on social supports while creating a sustainable Canadian workforce able to help meet the demands of a growing economy with ever-strained workforce

shortages. Targeted investments in home care and long-term care will keep highly skilled workers in the workforce and funding for skilled labour training will go a long way to help meet Canada's critical labour shortages.

### **3. Demographic Change**

*What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?*

Although our population is aging compared to half a century ago, a phenomenon which is largely a function of declining birth rates, the majority of older Canadians continue in excellent health to support economic productivity and social solidarity. The illness burden is not confined to the elderly, but will be increasingly an issue unless we make a serious and sustained effort to address the factors that contribute to preventable chronic disease—through consistent promotion of healthy lifestyles and rigorous quality control of food and drugs—areas of traditional federal responsibility. Ours is a country of immigrants and we will continue to depend on immigration both to address persistent labour shortages, and to balance the population profile. Temporary seasonal workers can address some of the most immediate challenges, but we can do much better both for the existing population and newcomers, if we commit to a comprehensive immigration strategy which recognizes the need for a more comprehensive settlement program with targeted bridging and educational updating in Canada to enhance the effectiveness of immigrants our work places. Once we have invested in making newcomers fit seamlessly into our economy, efforts should continue to integrate them into our communities with the rights and responsibilities we all enjoy. Much of the mismatch between available jobs and job-seekers is in the skills needed in a modern economy compared to those offered by workers laid off. A forward-looking government should lead by focusing on advanced education for all and continuing education for workers whose skills are becoming obsolete.

### **4. Productivity**

*With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?*

Canada's publicly funded healthcare system can benefit greatly from federal leadership to focus efforts on productivity and efficiency. This means an expanded scope of practice for health providers so each provider is working to his/her full potential. This means using nurse practitioners in the provision of primary care, and allowing pharmacists to provide health education and using interdisciplinary models. While different provinces have approached these issues differently, federal leadership in a move towards an expanded scope of practice will allow us to share these ideas between provinces. The previous health accord exemplified federal leadership by putting in place priorities that were to be addressed as a joint effort between the provinces and territories. What resulted was a wait times initiative that has seen tremendous benefits for all. In Ontario, the wait times strategy has led to substantial improvements using queuing theory for certain procedures. Other such efficiencies include further support for innovations within our publicly-funded healthcare system such as shared care models that allow specialists and family physicians to communicate and maximize each others' capabilities as was done in Hamilton. While these innovations occur at a local level, it's important to have federal leadership to put the effort behind such initiatives while also sharing ideas across provinces and territories to increase productivity in a concerted effort.

## 5. Other Challenges

*With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?*

The most important groups with special challenges are those living in poverty, and those with limited educational and employment opportunities. Government policies have led to a growing equity gap in Canadian society. This gap, leading to physical and mental health problems, alienation, and violence, must be addressed. What is required is a well thought out, integrated, national poverty reduction strategy. The strategy should include, but not be limited to, the following elements. We note that a number of the suggested approaches will not only have benefits in terms of poverty reduction, but related benefits in terms of job creation.

- A national subsidized housing program that would have the goal of ameliorating, if not eliminating, problems of homelessness and underhousing. Such problems have a huge impact on health disparities, which are extremely large across income groups.
- Adequate transfers to provinces to ensure funds are available for satisfactory income supports for those on welfare, disability, and other social assistance. Adequate supports of this sort could make a major impact on reversing the growing income gradients in Canadian society.
- Reversing the federal decision to cut health care funding and to abandon the federal role in ensuring uniform high standards of care across Canada. The benefits of health care innovation have been enormous, and are likely to continue. Tying growth in health expenditures to growth in GDP makes as little sense as tying growth in information technology to growth in GDP - investments should be made according to returns. Health is a key determinant of well-being, and while social determinants of health are paramount, equitable high quality health care delivery is also crucial. Federal abandonment of its role in health care is likely to exacerbate social inequities in Canada. Within health care there are currently huge inequities in access to prescription and over-the-counter drugs. Many Canadians are unable to fill prescriptions because they cannot afford the drugs. It has been well demonstrated that a national pharmacare program would have not only equity but also efficiency benefits.