



Features

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The brutal politics of health care

Charlotte Gray

In brief

THE 1998 FEDERAL BUDGET received less than glowing reviews for its provisions regarding health care, but Charlotte Gray says this lack of health care initiatives should surprise no one. After all, there won't be a federal election for another 3 years.

En bref

LE BUDGET FÉDÉRAL DE 1998 a suscité des commentaires peu élogieux à cause de ses dispositions sur les soins de santé, mais Charlotte Gray affirme que l'absence d'initiatives dans ce domaine ne devrait étonner personne. Après tout, il n'y aura pas d'élections fédérales avant trois ans.

In election season nothing is dearer to a politician's heart than the sanctity of Canada's health care system, and many are the wet hankies as its praises are sung. Out of season, though, health care is just one more card on the political poker table.

During last year's federal election the Liberals made a lot of promises about health care because they recognized Canadians' concern about a deteriorating health care system. Pledges to restore money transferred to the provinces and talk of new programs covering prescription drugs and community care were vote-getters last June.

Fast-forward to the 1998 federal budget. In February, as physicians were walking off the job in BC and patients lined the hallways of the country's hospitals, Finance Minister Paul Martin showed little interest in health care. His main objective was to keep on track with debt reduction, now that he has conquered the deficit, and to ensure that any dollars flowing out of federal coffers are clearly marked with Ottawa's imprimatur. Students who benefit from the new Canada Millennium Scholarships, for instance, will receive their cheques directly from the federal government. Nowhere on Martin's agenda were increased transfers to the provinces because the provinces, not Ottawa, would then take all the credit.

The \$7 billion that the Liberals have chopped from federal transfer payments since 1995 has not been restored, and the trend is still flat when the numbers are placed within the context of annual growth in the gross domestic product (GDP).

However, when Ontario's Mike Harris and Quebec's Lucien Bouchard started complaining, the prime minister simply told them to stop whining: by international standards, said Jean Chrétien, Canadian spending on health care remains at the high end of the scale and only the US spends a larger percentage of its GDP on health care. Chrétien's information was a little out of date. By 1995 we had also slipped behind Germany, France and Switzerland in terms of health care spending.

Strange bedfellows

It is not often that Canadians see the CMA, the New Democratic Party, the Reform Party and the government of British Columbia agreeing on anything, but in the days after the budget's unveiling these organizations all took off the gloves. Dr. Victor Dirnfeld, the CMA president, deplored the way "the government has ignored Canadians who believe that access to quality health care is fundamental. By not listening and by not reinvesting in a health care system in dire need, the prime minister and his cabinet have missed the opportunity to address Canadians' growing anxieties."



Reform MP Dr. Keith Martin was appalled that “not a dime has gone into health care, which is in desperate need of an infusion of cash to provide basic necessities for people who are in dire need of basic health care services.” In BC, Finance Minister Joy MacPhail said Ottawa had deliberately made it more difficult for that province to balance its books, and New Democrat leader Alexa McDonough suggested that Paul Martin had sacrificed the country’s health care system to further his own leadership ambitions. By doing nothing for health care, she argued, he had hobbled the leadership hopes of a rival, Health Minister Allan Rock.

The decline of public confidence in the health care system is startling. According to pollster Frank Graves, satisfaction levels have fallen to 30%, compared with 60% 2 years ago. However, health care experts acknowledge that, although there is now little fat in the system, there are still important changes to be made in the way health care is delivered. Ottawa’s strategy appears to be to force provinces to make the required fundamental changes before funding is boosted — something that will likely happen just before the next federal election. “This is not the last budget of this mandate,” Martin teased. If the timing goes his way, the centrepiece of the pre-election budget in 2001 will be — what a surprise! — the sanctity of medicare.

Nevertheless, the decision not to allocate money now is a gamble. As public confidence crumbles, the pressure to create a parallel private system will grow. The 70% of Canadians who tell pollsters that they are no longer satisfied with the way the system is managed are a ready market for private health insurers and US institutions. This concerns the Health Action Lobby (HEAL), which includes the CMA and 26 other health and consumer organizations as members. “With no new dollars for health we remain very concerned about the passive privatization that is occurring,” says Mary Ellen Jeans, HEAL’s cochair. “The increase in private spending in health care is undermining a fundamental principle of the Canadian system.” If universality is quietly eroded, the federal Liberals — and not the provinces — may become the target of discontented voters.

The MRC’s happy

Although the February budget offered little solace for physicians, it did at least allocate \$134 million over 3 years to the Medical Research Council (MRC). This goes a long way toward restoring funding cut between 1995 and 1997. “It was a very welcome announcement,” says Dr. Henry Friesen, MRC president. “It is a good start toward making Canadian health care science more competitive.”

The council was able to pump additional funds into the field immediately: 130 research projects that had

been judged worthy of funding but had been turned down for lack of funds will now get the green light. The number of new applications funded immediately jumped to 26% of the total from 19%, and 56% of programs that were up were renewal got funding instead of an anticipated 40%. Friesen said recent cuts had left Canadian research “at a threshold level. Many of our scientists were so discouraged they could barely carry on. Morale was so low, especially when they saw the huge increases the US government was giving the National Institutes of Health. Now we have finally seen some light at the end of a very dreary tunnel.”

The MRC’s funding boost followed intense lobbying. “There was a mobilization of the widely held and passionately shared belief in the importance of research,” explains Friesen, “and it was expressed to individual MPs through the efforts of a coalition of university-based scientists.”

Results of the lobbying were obvious. At the Liberals’ caucus meeting in Collingwood, Ont., last year, several MPs rose to ask why Canadian research funding was moving opposite to the direction being taken by every other developed country. Now that Martin had the deficit under control he was more open to arguments in favour of this type of spending. Besides, grants to research councils, as opposed to the cost of launching a nationwide pharmacare or home-care program, are easier for the parsimonious Martin to swallow because they are measured in millions, not billions, of dollars.

Friesen thinks Ottawa’s policymakers are now convinced that basic research is important and that it must be publicly funded. “Venture capitalists have made it clear in the past few years that there is an appetite for a richer discovery platform, but that they are not interested in funding early-stage research.” But the MRC has a further public-education task ahead. “We must position basic research as the foundation for the renewal of the health care system for all Canadians, as well as the basis of a sustainable biotechnology industry.”

“We are committed without reservation to sustaining and strengthening the Canadian system of health care,” Paul Martin told the House of Commons on budget day. “In 1995, when the country’s fiscal back was to the wall, we took some very difficult decisions.”

However, the first action the government took when deficit elimination was in sight, he pointed out, was to restore some money to provincial transfers. He then listed the principles underlying his budget plan: “Frugality. Focus. Steadfastness. Looking to the long term. Partnership. Fairness.”

Fine words, but unless he adds sustainability to his lexicon he may find that he has won the budget battles but lost the war to protect our health care system. And that would be a Pyrrhic victory indeed. ¶