



CANADIAN FEDERATION
OF NURSES UNIONS

LA FÉDÉRATION CANADIENNE
DES SYNDICATS D'INFIRMIÈRES
ET INFIRMIERS

March 2014

The health accord coming to an end and trouble ahead

Federal Budget bites health care

Provincial governments are struggling to deal with health care delivery as they wrestle with deficit budgets, federal downloading of responsibilities and cuts to federal transfers. Even without cuts to transfers, health care delivery remains a challenge. Between rising costs, new technologies, an aging population and an workforce, patients and frontline health care workers are often neglected.

Compounding provincial anxieties about managing health care, the federal government has let the Health Accord die, and along with it, the mechanisms for national collaboration on key issues such as wait times, pharmacare and a seniors strategy. In the recent federal budget, health care funding took two huge hits.

First the government recommitted to reducing the 'escalator' from 6% to 3%. This measure alone removes about \$36 billion over the next ten years. The 6% escalator was the number in the 2004-2014 Health Accord, used to increase transfers annually to reflect rising populations, costs and inflationary effects.

Next, the government implemented a fundamental change by eliminating the concept of equalization.

This removes another \$16.5 billion over 5 years. Equalization is designed to ensure all Canadians receive comparable care no matter what part of the country they reside. The reality is that our system of transfers has long been based on equalization, a principle that recognizes that some provinces or territories, for varying reasons, may require more resources in order to deliver comparable services to their residents. Replacing equalization, which takes into account each province's unique nature, in favour of a per capita model, cuts billions in transfers to some provinces and gives advantage to those provinces that have younger, healthier, more affluent and more urban populations over older, poorer, sicker and more rural provinces.

Read an article in *National Newswatch* on the impacts of financial changes to medicare: <http://www.nationalnewswatch.com/2014/03/12/medicare-is-on-the-road-to-oblivion/#.UyHdcYXJUV8>

Read the 2014 Budget here: <http://www.budget.gc.ca/2014/docs/plan/toc-tdm-eng.html>

There are solutions to the health care crisis that do not involve leaving health care delivery and funding cuts



solely to the provinces. Savings can be realized by expanding health care while expanding collaborations that increase efficiencies, such as a national pharmacare program.

The 2014 *Alternative Federal Budget*, coordinated by the Canadian Centre for Policy Alternatives, includes bold and cost-saving measures such as expanding medicare, to include pharmacare, dental care for children, community-based services and long-term care programs.

Read the *Alternative Federal Budget* here: https://www.policyalternatives.ca/sites/default/files/uploads/publications/National%20Office/2014/02/AFB2014_MainDocument.pdf

Health care forgotten – accord expires

Where is the national debate on the challenges facing our health care system? Where is the political leadership? Provinces are tasked with delivering health care, but the federal government also delivers health care. All levels of governments need to work together, and citizens need to hold them accountable for the future of our universal public health care system.

The 2004-2014 Health Accord expires at the end of March 2014, and the federal government has clearly stated it will not negotiate another accord with the provinces. Instead, provinces are dealing with new reductions to the percentage of health care transfers from the federal government. This further stresses provincial budgets at a time when all provinces, except Saskatchewan, are in deficit.

The accompanying cuts to health equalization transfers (\$36 billion over ten years due to the escalator cut and \$16.5 billion over 5 years in cuts due to shifts away from equalization) will result in a patchwork of strategies focused on cutting health budgets, with potentially volatile outcomes for patients and health care providers. Our health care system has been plunged into crisis.

How much will each province and territory lose under the cuts?

British Columbia	\$ 5 billion
Alberta	\$ 4.1 billion
Saskatchewan	\$1.1 billion
Manitoba	\$ 1.3 billion
Ontario	\$14 billion
Quebec	\$ 8 billion
New Brunswick	\$ 715 million
Nova Scotia	\$ 902 million
Prince Edward Island	\$ 144 million
Newfoundland & Labrador	\$ 491 million
Yukon/NWT/Nunavut	\$ 115 million
CANADA TOTAL	\$ 36 billion

March 31 – Making a new Health Accord an election issue

The end of the 2004-2014 Health Accord will be marked by a cross-Canada Day of Action on March 31, 2014. Led by the Canadian Health Coalition, alongside partner organizations in the provinces, these actions aim to put health care firmly on the national agenda before the next federal election.

The campaign for the next Health Accord is calling for:

- Sufficient federal funding to the provinces and territories
- An end to illegal fees and extra-billing
- Access to a primary health care practitioner and reasonable wait times for medical procedures for all



- Access to prescription drugs through a national pharmacare program with cost controls on drug prices
- Adequate provision of long-term beds and care for seniors and those with mental illness

In the months following the Day of Action, there will be nationwide health tours and specific actions in targeted ridings by partner groups.

For more information on the last Health Accord visit:

<http://www.hc-sc.gc.ca/hcs-sss/delivery-prestation/fptcollab/2004-fmm-rpm/index-eng.php>

For the Day of Action list of actions, materials and contact information go to: <http://healthcoalition.ca/March31/>

Bold ideas for the future of health care



Parliamentary Breakfast on aging and pharmacare, hosted by the Canadian Federation of Nurses Unions February 4, 2014.

Even as the federal government refuses to ensure compliance with the *Canada Health Act*, cuts transfer rates to the provinces, and guts equity principles, there is hope. Canadians pay more than any country in the world, except the United States, for prescription drugs.

By simply cooperating on a national drug program, our governments could save Canadians as much as 11.2 billion dollars per year. Canada is the only advanced country in the world with universal health care that does not also have a national pharmacare program. Dr. Steve Morgan and Dr. Marc-André Gagnon have worked closely with the CFNU to outline how following a U.K. or New Zealand model would allow Canada to reinvest billions back into our health care system each year. Both those countries pay about half of what Canada does for prescription drugs per capita.

To move this agenda forward, on February 4 the Canadian Federation of Nurses Unions hosted a Parliamentary Breakfast on aging and pharmacare. This event was very well attended by both MPs and Senators.

The key speaker on pharmacare was Dr. Steve Morgan from the University of British Columbia.

Dr. Morgan says the federal government can take immediate steps – at a relatively low cost – to prepare the country to improve access to medicines while increasing our capacity to harness the forces of competition and exercise our collective purchasing power in the global pharmaceutical marketplace:

1. Support a national strategy on pharmaceutical policy. While some provinces can “go it alone” on many aspects of pharmaceutical policy, most provinces cannot succeed without a truly national effort.
2. Increase the transparency of clinical trials data used in regulatory processes to give prescribers, patients and the public greater access to data to inform decisions.
3. Reduce the regulatory and legal impediments to generic competition in Canada. The recent extension of data exclusivity rights for brand name firms is an opportunity to create a clearer, less litigious path for generics to access the Canadian market.

4. Revisit Canada's outdated pharmaceutical price regulations. Aim to foster genuine price competition by investing in health technology assessments and in the negotiation and enforcement of pricing contracts – the new global pharmaceutical marketplace norm.

The key speaker on seniors was Cal Martell, President of the Council of Aging in Ottawa.

Mr. Martell pointed out that there are many myths surrounding aging and health care. He noted that seniors are generally healthy with only a quarter requiring support. Of these, one in ten do not get the support they need.

Less than 1% of growth in public health expenditures is attributable to an aging population.

He pointed out that the Canadian Health Care system obtained only a C+ in the last "Seniors in Canada" Report Card by the National Advisory Council on Aging. A clear measure of Canada's lack of priority for seniors: we have only one geriatrician for every ten pediatricians, despite the demand.

Mr. Martell ended by calling for a coordinated effort by different levels of government, enhanced public pension and a national home care program to ensure access to essential home and community care services.

The CFNU will continue advocating for bold progressive thinking in our health care system!

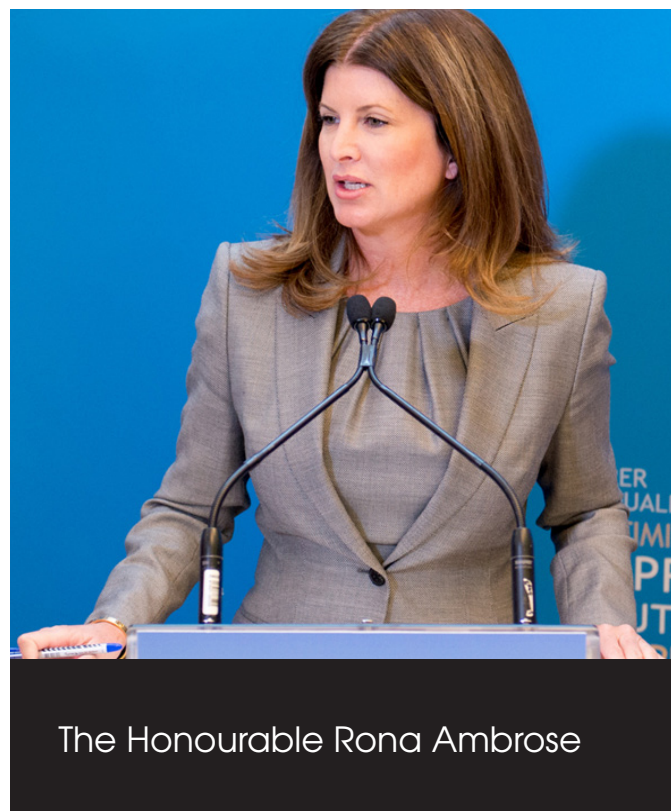
Coming this spring: the CFNU will release

***Roadmap to a Rational Pharmacare Policy
in Canada***

by Dr. Marc-André Gagnon.

Dr. Gagnon's report calls for a rational, evidence-based pharmacare policy which will reduce costs and lead to investments in quality health care. Email today to reserve your copy: roadmap@nursesunions.ca

House of Commons – The Health Minister and the Health Committee



The Health Minister, Rona Ambrose, has been in her position for less than a year but has signalled that she is focused on 'innovation' and has announced plans to set up a 'wise person' panel promoting innovation. Innovation in health care, unfortunately, is ill-defined at best and potentially damaging if it focuses on promoting privatisation models or solely on technological innovation while ignoring health care workers and patients' needs. This is why the Canadian Federation of Nurses Unions has met with key advisors in the minister's office and has been invited to submit an outline of what we believe should be considered when discussing innovation.

You can read the recent speech Minister Ambrose gave on innovation to the Economic Club of Canada here: http://www.hc-sc.gc.ca/ahc-asc/minist/speeches-discours/_2014/2014_01_30-eng.php

The Standing Committee on Health is the body of MPs tasked with reviewing proposed legislation and studying key areas of our federal health care system. Because of the majority government in Ottawa, the work of all parliamentary committees is controlled by Conservative government MPs. Given that there are big questions



about the future of health care in Canada, and how we are going to deal with issues like rising drug costs and an aging population, it is interesting to look at what legislation and issues are being studied under the direction of the Health Minister.

Currently, the Committee is wrapping up a review of a prescription drug abuse bill, to be followed by a study Best Practices and Federal Barriers: Practice and Training of Healthcare Professionals. Neither of these issues, important as they are, deal with the fundamental challenges facing our health care system.

You can follow the work of the committee here: <http://www.parl.gc.ca/CommitteeBusiness/CommitteeMeetings.aspx?Cmte=HESA&Language=E&Mode=1&Parl=41&Ses=2>

Bill C-17: Protecting Canadians from Unsafe Drugs Act (Vanessa's Law)

Another government health bill moving through the House of Commons is C-17, also known as *Vanessa's Law* after MP Terrence Young's daughter Vanessa who died at age 15 from an adverse drug reaction. Young has been working on this legislation for the past 13 years. This bill compels hospitals to report adverse drug reactions to Health Canada, an important first step, but an article in the *Canadian Medical Association Journal* is critical of the loopholes in the bill. Others have called for doctors to also be included in the legislation so that they can be compelled to not distribute dangerous pharmaceuticals after their recall.

Historically this has been an issue. When Thalidomide was recalled doctors continued to distribute the drug from their own stocks of pharmaceuticals, which meant more babies were exposed to risk even after a wide recall. Canadians should expect this long needed update to the *Food and Drugs Act* to at least close this dangerous loophole.

Read *The Star* comments about the *CMAJ* article: http://www.thestar.com/news/canada/2014/03/10/proposed_drug_recall_bill_has_too_many_loopholes_health_law_experts_say.html

Read the bill here: <http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=6375723>

What is happening with the federal government's anti-labour bills?

The good news regarding the attack on labour is that the reaction by unions and opposition political parties has been a setback for both of the key attacks, Bills C-377 and C-525. The bad news is that we should expect the attacks to continue and take on new forms. This government has routinely put non-budget-related legislation into their omnibus budget implementation bills. The result is that debate is limited and measures are pushed through without sufficient opportunity for dissent. These tactics are straight out of the U.S. *Tea Party Handbook*. With a majority government there is little that can be done to counter these fundamentally undemocratic measures, but Canadians should not accept this as a legitimate way to govern.

Bill C-377, *An Act to amend the Income Tax Act (requirements for labour organizations)*

This bill remains stalled in the Senate after Senators voted severe amendments to the original bill. The Conservatives seem content to let it remain on hold for the moment. Senator Segal, the main player in getting a handful of Conservative Senators to vote for the amendments, will be leaving the Senate this summer. Without Segal, the Conservatives may try and move this bill again in the spring.

This bill was so badly drafted that five provinces (Quebec, Ontario, Manitoba, Nova Scotia and New Brunswick) publicly advised the Minister of Labour and the federal government that the bill violates their constitutional jurisdiction and urged the government not to pass this bill.





C-525, An Act to amend the Canada Labour Code, the Parliamentary Employment and Staff Relations Act and the Public Service Labour Relations Act (certification and revocation — bargaining agent)

This bill has just gone through the Human Resources Committee. The experts who testified at the Committee were unanimously against this bill which would facilitate decertification of unions and make it very difficult to certify unions by asserting that any non-votes were to be counted as votes against the union. Fortunately, the government has backed down on the most bizarre provisions in this bill and made the vote a simple majority vote among those who cast ballots.

This bill is still problematic as it attacks the traditional card-check system in favour of votes and allows decertification of unions by less than a majority vote, but the push back on this bill and the subsequent amendments still represent a victory.

Other federal bills of concern

Bill C-23 – An Act to amend the Canada Elections Act and other Acts and to make consequential amendments to certain Acts

Opposition to this bill is growing. It is being called the Fair Elections Act by the government and the Unfair Elections Act by opponents.

The Chief Electoral Officer of Canada Marc Mayrand has been very critical of the bill even suggesting that it would be more beneficial to the Conservatives than other political parties. The key pieces of the bill relate to initiatives that are very likely to reduce voting among young people, indigenous people and low-income Canadians, all of whom generally do not tend to support the Conservatives. It would strip the Chief Electoral Officer of the ability to compel testimony

on investigations of violations of the *Elections Act* and would even make it illegal for the Chief Electoral Officer to engage in initiatives to increase voter turnout. This legislation would also make the Commissioner of Canada Elections ultimately report to the Justice Minister, not the Parliament of Canada. Spending on elections would increase through exemptions that benefit the Conservatives above other parties, according to many analysts. Some rules around voter-suppression using 'robocalls' would be tightened, but violators would be harder to catch because of these changes.

The government is not allowing any hearings outside of Ottawa and has limited the time of debate on this bill which has also upset the opposition.

Read the whole bill here: <http://www.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Mode=1&DocId=6404810>

A long list of university professors have signed the following letter: <http://fullcomment.nationalpost.com/2014/03/11/dont-undermine-elections-canada/>

Read more about Chief Electoral Officer Mayrand's testimony to Parliament, criticizing Bill C-23: <http://fullcomment.nationalpost.com/2014/03/07/andrew-coyne-the-tories-were-right-to-be-nervous-marc-mayrand-shredded-their-fair-elections-act-almost-line-by-line/>

Sign the following petition to express your opposition to Bill C-23: <http://you.leadnow.ca/petitions/stop-us-style-voter-suppression-from-becoming-law-in-canada?source=leadnow-homepage>



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