

BUDGET 1999



*Building today for
a better tomorrow*

Strengthening Health Care for Canadians

February 1999

Canada



The Commitment: Medicare

“We have said that we will invest more resources in health care to ensure that all Canadians will continue to have access to quality care. And I repeat to you...that the next major investment we will make as a government will be in the area of health care.”

Prime Minister Jean Chrétien
Confederation Dinner speech
October 26, 1998

Medicare is key to the quality of life we enjoy.

Central to our public health care system is that all Canadians, regardless of their financial means, have equal access to high quality health care services based on need, not on ability to pay.

To strengthen medicare, the provinces and the territories will receive an additional \$11.5 billion specifically for health care from the federal government over the next five years.

This funding marks the largest investment this government has ever made.

The government will further invest about \$1.4 billion in health information systems, research, First Nations and Inuit health services, prevention and other initiatives.



Investing in Medicare: The Canada Health and Social Transfer

“The decisions we are announcing today are about much more than dollars and cents. They are about a fundamental choice Canadians have made about the kind of society in which we want to live.”

Finance Minister Paul Martin
budget speech
February 16, 1999

The \$11.5-billion increase for health care will be transferred to the provinces through the Canada Health and Social Transfer (CHST).


This investment will help the provinces and territories deal with the immediate concerns of Canadians about health care – waiting lists, crowded emergency rooms and diagnostic services.

It will also help to build a stronger health care system – a system that reflects the changing health care needs of Canadians and is based on timely access to high quality health care.

Some flexibility will be given to the provinces and territories to determine how much of the funding they will receive over the next three years so as to best meet the health needs of their citizens.

Provinces and territories would receive the increased funding over the next five years as follows:

- \$2 billion in 1999-2000;
- \$2 billion in 2000-01;
- \$2.5 billion in 2001-02;
- \$2.5 billion in 2002-03; and
- \$2.5 billion in 2003-04.



These funds will be distributed so that each province receives the same amount per person living in the province.

When the increase in funding reaches \$2.5 billion in 2001-02, federal support for health care will be as high as it was before cost-cutting in the mid-1990s.

Health care will continue to be one of the government's key priorities for further action.

Strategic Federal Investments: Health Information, Research and Prevention

“What I believe we must strive for is a people-centred system in the truest sense, one that ensures the right care by the right provider at the right time in the right place at reasonable cost.”

Health Minister Allan Rock
speech to Canadian Medical Association
September 7, 1998

This budget provides about \$1.4 billion over the remainder of this fiscal year and the next three years to strengthen:

- the quality, timeliness and availability of health information;
- health research and innovation;
- health services for First Nations and Inuit; and
- programs designed to prevent health problems from occurring.



Investing in health information systems

This budget allocates \$328 million to further develop health information systems in Canada.

This is important to those who provide health care and to Canadians themselves. Health care providers need the best information possible if they are to provide the best care possible for their patients.

And Canadians need information as they seek to know more about their own health. Information can also help Canadians understand how their health care dollars are being spent and with what results.

This funding will be invested in such initiatives as:


- building a National Health Surveillance Network which will electronically link laboratories and public health officers across the country;
- establishing a Canada Health Network accessible by computer and telephone, enabling Canadians everywhere to have direct access to objective, reliable, up-to-date information on a range of health issues; and
- providing better reports on the health of Canadians and the functioning of the health system.

The government is committed to engaging the provinces, health providers and interested Canadians as it proceeds with these initiatives in a manner consistent with the Social Union Framework.

Promoting health research and innovation

This budget increases funding for health research and innovation by \$550 million.

Research is important to a high quality health care system.



Through research we are now able to prevent a wide range of diseases – from polio to tuberculosis.

Health research continues to evolve, drawing in scientists across the full spectrum from basic science to clinical research, to health services and social factors that affect health.

Federal research dollars at work


Dr. Patrick Lee of the University of Calgary made a discovery that could have major implications for cancer treatment. He injected 25 different types of cancer cells during laboratory tests with a relatively harmless, naturally-occurring human virus. Of the 25 types of cancer cells, including breast, brain, prostate and pancreatic cancer, the virus killed 20. It is expected clinical trials will start in a few months to confirm this new approach to cancer treatment.

A national task force representing the health research community has developed an innovative proposal to integrate health research through the creation of a new organization: the Canadian Institutes of Health Research.

The institutes would create networks – not brick and mortar institutions – which would bring together the best researchers from across Canada in areas such as aging, arthritis, women's health, cancer and heart disease.

The objective of the institutes would be to:

- accelerate the discovery of cures and prevention of diseases;
- forge an integrated national health research agenda;

- 
- foster collaboration across the many disciplines of health research; and
 - bring new health products and services to the markets of the world.

While this proposal is being further developed, increased funding will be given to existing federal agencies which support health research and to hospitals and universities to help create world-class research facilities.

As well, a special endowment will be provided to create the NURSE Fund to find solutions to the challenges facing the nursing profession.

First Nations health services

The federal government is providing \$190 million over the next three years to better meet the health care needs of First Nations and Inuit communities.


The funding will be used to strengthen home and community care and other support services.

Preventive and other health initiatives

This budget invests \$287 million to improve prenatal nutrition, food safety and toxic substances control; to foster innovations in rural and community health; and to combat diabetes.

It provides:

- \$75 million to the Canada Prenatal Nutrition Program to help high-risk pregnant women have healthier babies;
- \$65 million to modernize and strengthen the federal food safety program;
- \$42 million to improve management and control of toxic substances in the environment, in food and in drinking water;



■ \$50 million to continue exploring with provinces innovative approaches in the area of rural and community health; and

■ \$55 million to combat diabetes, recognizing that the rate of this disease among Aboriginal people is three times that of the general population.

Building on the strengths of Canada's public health care system

Since its introduction in 1968, medicare has evolved into a cherished feature of our national identity.

It represents the fundamental values of fairness and equality that we all share as Canadians.

The federal government is committed to working with the provinces on behalf of all Canadians to preserve and enhance medicare for the 21st century.

How can I get more information on the 1999 budget?

Department of Finance information is available on the Internet at: <http://www.fin.gc.ca>

Department of Health information is available on the Internet at <http://www.hc-sc.gc.ca/budget>

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