

Health Canada

2003-2004
Estimates

Part III - Report on Plans and Priorities

Table of Contents

Section 1: Minister's Message and Management Representation Statement	4
Minister's Message	4
Management Representation Statement	6
Section 2: Raison d'être	7
About Health Canada	7
Our Vision	7
Mission Statement	7
Objective	8
Roles	8
In Concert with Others	9
Flexibility for a Changing Environment	10
Section 3: Planning Overview for 2003-2006	11
Corporate Priorities	12
Health Care System Renewal	12
Balancing the Health Agenda	13
First Nations and Inuit Health	13
Safety and the Management of Risks	13
Improving Accountability to Canadians	14
Summary of Budget 2003: Health Initiatives	15
Canada Health and Social Transfer	15
Health Reform	15
Direct Health Accord Initiatives	16
Other Health Initiatives in Support of Reform	16
First Nations and Inuit Health	17
Other Health-Related Initiatives	17
Budget Initiatives Affecting Broader Determinants of Health	18
Summary of Budget 2003: Health Initiatives	19
Section 4: Plans and Priorities by Strategic Outcomes	20
Summary of Strategic Outcomes, Priorities and Net Planned Spending	20
Enhanced access to quality health services for Canadians	23
A healthier population by promoting health and preventing illness	27

Healthier First Nations and Inuit through collaborative delivery of health promotion, disease prevention and health care services	31
Safer health products and food for Canadians	37
Healthier environments and safer products for Canadians	41
Sustainable pest management products and programs for Canadians	45
Improved evidence base and increased use of information and communications technologies to support health decision making	48
Effective support for the delivery of Health Canada's programs	51
Section 5: Organization	54
Health Canada Objective	54
Business Line Descriptions	54
Organizational Chart	56
5.1 Strategic Outcomes, Business Lines, Service Lines and Accountability	57
5.2 Departmental Planned Spending	59
Section 6: Annexes	60
6.1 Net Cost of Program for 2003-2004	60
6.2 Sources of Respendable Revenues	61
6.3 Sources of Non-Respendable Revenues	62
6.4 Sources of Respendable and Non-Respendable Revenues	62
6.5 Summary of Transfer Payments	63
6.6 Details on Transfer Payments, 2003-2004 Planned Spending	64
6.7 Summary of Proposed Regulatory Initiatives	73
6.8 Departmental Contacts	77
Section 7: Index	78

Section I: Minister's Message and Management Representation Statement

Minister's Message



Health care is Canadians' number one priority. Our government and our partners across the health system recognize that. We are taking action to build the better health system that Canadians want.

On February 5, 2003, the Prime Minister and provincial premiers agreed to a First Ministers' Accord on Health Care Renewal that strengthens and sustains Canada's health care system. This accord reflects the values and views of Canadians who want and deserve reasonable access to quality health services. It draws on ideas for improvements that echoed throughout the Romanow Report and the many other recent studies of Canada's health care system.

On February 18, 2003, the federal budget confirmed the funding needed to implement the First Ministers' Accord. The Government of Canada is investing an additional \$34.8 billion over five years in the health care system, which will lead to better access to front-line health care providers, improved coverage for home care and catastrophic drug expenditures, enhanced access to publicly funded diagnostic and medical equipment, and better accountability from governments on how health dollars are spent. The new funds include \$1.3 billion for more effective and sustainable health services for First Nations and Inuit as part of our government's larger commitment to improve the health status of all Aboriginal Canadians.

As this Report on Plans and Priorities shows, Health Canada will take many other actions to ensure the balanced health agenda that is essential to a better health system for all Canadians. The Department will continue to promote the safety of consumer products such as food, drugs, medical devices and those used for pest control by strengthening its operational effectiveness and its regulatory and inspection programs. It will help to generate and provide information, so people in our health system and all Canadians can make informed choices that draw on rapidly-growing knowledge about health.

We look forward to working with our partners to create a national strategy on healthy living that will enable Canadians to make better choices that will lead to healthier lives. We intend to address essential environmental issues that affect the health of Canadians. We will continue to monitor and act on challenges to public health and security.

All the efforts of Health Canada will be grounded in a commitment to results, attention to the value of productive collaboration with an extensive range of partners in Canada and internationally, and a determination to use public resources for the best possible results.

This is an extensive and ambitious agenda, one that Canadians expect us to pursue with their best interests in mind. It is an agenda designed to meet the Government of Canada's commitment to help the people of Canada maintain and improve their health.



A. Anne McLellan
Minister of Health

Management Representation Statement

We submit, for tabling in Parliament, the 2003-2004 Report on Plans and Priorities for Health Canada.

This document has been prepared based on the reporting principles and disclosure requirements contained in the *Guide to the Preparation of the 2003-2004 Report on Plans and Priorities*.

- It accurately portrays the organization's plans and priorities.
- The planned spending information in this document is consistent with the directions provided in the Minister of Finance's Budget and by Treasury Board Secretariat.
- It is comprehensive and accurate.
- It is based on sound underlying departmental information and management systems.

The reporting structure on which this document is based has been approved by Treasury Board ministers and is the basis for accountability for the results achieved with the resources and authorities provided.



Ian C. Green
Deputy Minister
Health Canada
March 2003




Ian Shugart
Assistant Deputy Minister
Health Policy and Communications Branch
March 2003

Section 2: Raison d'être

About Health Canada

Health matters deeply to Canadians—to individuals, families and communities—as does Canada's health system, which has become a defining feature of this country. The importance of health to Canadians reflects the demonstrated benefits of good health to individual well-being and to the well-being of our society and economy.

The Government of Canada recognizes the high priority that Canadians place on health and has given Health Canada the mandate to address Canada's health agenda. The *Department of Health Act* formally establishes the Department's mandate, while the Minister of Health is also responsible for the direct administration of another 18 laws, which include the *Canada Health Act*, the *Food and Drugs Act*, the *Pest Control Products Act*, and the *Controlled Drugs and Substances Act*.

 http://www.hc-sc.gc.ca/english/about/acts_regulations.html

In addition to these legislated responsibilities, the Department has significant policy development, program and service delivery roles that reach a wide range of Canadians. Much of this work is carried out by Health Canada staff in communities throughout Canada. Their work touches the lives of all Canadians and involves many partners who share the same commitment to improved health for Canadians. These partners include provincial and territorial governments, First Nations and Inuit communities and other stakeholders.

The departmental mandate, roles and responsibilities are captured in Health Canada's vision and mission statements and in the Department's objective.

Our Vision

Health Canada is committed to improving the lives of all of Canada's people and to making this country's population among the healthiest in the world as measured by longevity, lifestyle and effective use of the public health care system.

Mission Statement

To help the people of Canada maintain and improve their health.

Objective

Health Canada works with many partners to fulfil its mission. This objective is met in many different ways by:

- Preventing and reducing risks to individual health and the overall environment;
- Promoting healthier lifestyles;
- Ensuring high-quality health services that are efficient and accessible;
- Integrating renewal of the health care system with longer-term plans in the areas of prevention, health promotion and protection;
- Reducing health inequalities in Canadian society; and
- Providing health information to help Canadians make informed decisions.

Health Canada seeks to ensure that Canadians enjoy the best possible health outcomes. This is a challenge given the ever-expanding and complex range of needs, demands and available interventions. Through a network of regional offices and its numerous partnerships, the Department helps to maintain effective and sustainable systems for health that allow the greatest number of Canadians to enjoy good health throughout their lives. The Department strives to reduce inequalities in health status, particularly among children, youth, the elderly, and First Nations people and Inuit.

The circumstances and behaviours of Canadians vary. So in order to successfully achieve the objectives, Health Canada strives to improve community capacity to deal with health issues while assisting Canadians in making informed choices about their health. It is through research, surveillance and information sharing that Health Canada works to inform the development of policies by others who support health.

Along with its partners, Health Canada takes a comprehensive view of health, arrives at priorities through careful studies, including science and research and evidence-based decisions, and decides how those decisions can best be put into practice. The results are effective policies, regulations and programs that help anticipate and meet future needs and challenges to the health of Canadians.

Roles

Health Canada plays many roles in order to achieve this objective. Overall, the Department leads and partners with others in both health protection and promotion.

Leader and Partner: Health Canada is the national leader on health matters with responsibility for administering the *Canada Health Act*, the cornerstone of medicare in Canada. The Department develops policies to help the health care system adapt to evolving realities, identifies and addresses the determinants of health, and seeks to contribute to the Government's innovation agenda.

Funder: The federal government is a major contributor to health care funding through the Canada Health and Social Transfer. There are additional improvements and modernization realized through

other programs. Health Canada transfers funds to First Nations and Inuit organizations to help them provide community health services. In addition, grants and contributions to various organizations reinforce the Department's health objectives.

Guardian and Regulator: The Department protects the health of Canadians by managing product-related risks and providing information to enable Canadians to make informed decisions about health products available to them. Health Canada strives to minimize health risk factors to Canadians and maximize the safety of health products and food. The regulatory system covers pesticides, toxic substances, pharmaceuticals, biologics, medical devices, cosmetics, consumer products, chemicals and natural health products. The Department delivers a range of programs and services in environmental health and protection. Other responsibilities include the areas of substance abuse, tobacco policy, workplace health and the safety of consumer products. The Department monitors and tracks diseases and takes action where required.

Service Provider: Health Canada provides supplementary health benefits to 700,000 First Nations people and Inuit. Services available to these communities include prevention, promotion, primary care and addiction services. In addition, the Department provides occupational health and safety services to all federal employees and in all federal facilities.

Information Provider: Health Canada's high-quality science and research supports the development of new policies, regulations, services, information and management that are essential elements in maintaining Canada's world-class health care system. Through research and surveillance, the Department supplies information that Canadians can use to maintain and improve their health. It also supports research across Canada to expand the scientific and technical knowledge base. As a key national provider of health information, the Department emphasizes both positive health activities and illness prevention measures.

In Concert with Others

Health Canada works with the people of Canada through consultation and public involvement. This includes working with our partners: provinces and territories, First Nations and Inuit communities, professional associations, consumer groups, universities, research institutes, international organizations, volunteers, and other federal departments and agencies.

Flexibility for a Changing Environment

Health Canada is keenly aware of the forces that shape public health, with a number of factors constantly changing the environment:

- increased public preoccupation with health matters and the accompanying demands for quick access to services and information;
- shifting demographic patterns that put pressure on health care services;
- rapid scientific advances that create both health benefits and pressures;
- growing world migration, travel and business patterns that create additional health challenges; and
- a need for transparency in decision making and accountability.

In the face of this constant evolution, Health Canada remains flexible in its operations, its allocation of limited resources and its response to these forces.

Section 3:

Planning Overview for 2003-2006

Health Canada planning draws on the perspectives of Canadians and the priorities they have for their health system. Most recently, the Government responded to these perspectives and priorities in the 2002 Speech from the Throne, as it set an ambitious and extensive agenda that will affect Canada's health system. The 2003 First Ministers' Accord on Health Care Renewal marks a turning point in the preservation of our health care system. It represents the convergence of past and recent efforts to ensure that Canadians have a high-quality, accessible health care system. The Accord is the result of the Romanow and Kirby reports and the many other recent studies of the health care system. It also represents the contributions of countless stakeholders and individual Canadians and the work of our provincial and territorial colleagues.

The direction set in the 2002 Speech from the Throne and the 2003 First Ministers' Accord on Health Care Renewal is consistent with Health Canada's overall analysis of the health environment and the perspectives of Canadians. This direction takes into account the fundamental demographic, scientific, technological, economic and social determinants and trends that drive the health issues of importance to Canadians and the overall evolution of Canada's health system.

Health Canada's planning and choices are also informed by the evidence and analysis that result from research conducted within the Department and by external research organizations. Health Canada draws on, and contributes to, evidence that relates to the full spectrum of life sciences, physical sciences and social sciences, with much of it supporting the Department's mandated roles in areas such as disease surveillance and the assessment of products for regulatory purposes.

The fundamental planning considerations for the Department that are specific to health are complemented by the integration of ongoing government-wide priorities that have implications for the health of Canadians. For example, sustainable development perspectives and gender-based analysis are integrated into planning for the development, implementation and review of policies, programs and operations. Health Canada is committed to providing its services in both official languages and creating a workplace that encourages their use. Departmental planning is further guided by the integration of principles of modern comptrollership through all departmental operations that mirror the way that Canadians want governments to function.

Health Canada's planning includes significant attention to the views and plans of partners. The Department seeks out productive partnerships with other Government of Canada departments, and with the governments of the provinces and territories, as indicated above, to achieve better results for Canadians. In the same way, partnerships with Aboriginal organizations and communities and with stakeholders such as health professionals, community-based and voluntary agencies, health institutions and researchers are also essential. They are the basis for many departmental strategies for reaching Canadians.

All these factors, the commitments of the 2002 Speech from the Throne and the decisions of the February 2003 First Ministers' Meeting complement Health Canada's corporate priorities. These priorities have guided the strategic outcomes described in detail in Section 4 of this report. They are also used to guide the definition of the measures of performance and accountability that the Department uses to gauge its impacts and identify areas for improvement throughout its operations.

Corporate Priorities

Health Canada has identified five corporate priorities that respond to current and emerging health issues as well as to government-wide commitments.

For the years 2003-2006, the priorities are:

- **Health care system renewal:** Implementation of the 2002 Speech from the Throne and the First Ministers' commitments in support of health care system renewal;
- **Balancing the health agenda:** Intervention and investment in the areas of disease prevention, health protection and promotion to improve the long-term health of Canadians and to reduce their need for health care;
- **First Nations and Inuit health:** Addressing gaps in the health status of First Nations people and Inuit and ensuring that the health system is effective, efficient and sustainable;
- **Safety and the management of risks:** Enhancing the health and safety of Canadians and managing risks to their health; and
- **Improving accountability to Canadians:** Ensuring the provision of programs and services and the effective and efficient use of public resources for the best possible results.

Health Care System Renewal

The 2002 Speech from the Throne noted that since the 2000 First Ministers' Agreement on Health, the Government of Canada, and the provinces and territories have been collaborating on a sustainable health system that meets the needs of Canadians over the long term. On February 5, 2003, the First Ministers agreed on an accord on health care renewal that sets out an action plan that will ensure Canadians have reasonable access to quality health care. Significant policy support and coordination will be required to ensure that the improvements that First Ministers agreed on, such as a Health Reform Fund and the creation of a new Health Council, translate into the greatest possible health benefits to Canadians with improved accountability.

These actions will build on the Department's existing work and plans to support health care system renewal through innovation. Part of this is to both draw on and contribute to the expanding knowledge base on the full range of health system issues. Innovation will also draw on new information and communications technologies to improve the flow of information and increase access to it for individual Canadians and health professionals.

Balancing the Health Agenda

A range of factors and living conditions affect health from socio-economic factors, such as living and working conditions, community support networks, and individual health practices and coping skills. Therefore, a balanced health agenda contributes to building a health care system that is responsive to the needs of Canadians while also making the strategic “upstream investments” and interventions in areas such as disease prevention, health protection and promotion that can improve the long-term health of Canadians and reduce their need for health care later.

The Department constantly examines what makes people healthy to develop interventions that can improve the health of individuals, particular groups and the entire population. Health Canada develops policies and programs and works through partnerships, all geared to promoting healthy choices by individuals and by communities. For 2003-2004, in addition to ongoing activities to address health issues such as tobacco control, the 2002 Speech from the Throne has identified a commitment to encourage healthy living and physical activity, as well as action to address illness prevention, as major themes for the Department.

In addition, as information and knowledge continue to play an increasingly important role in helping Canadians manage their health, Health Canada will continue to work with its many partners to accelerate the use of information and communications technologies in the health sector and will focus on areas such as the electronic health record, telehealth and health information for the public.

Pursuant to the commitment of the Speech from the Throne “to renew the federal health protection legislation to better address emerging risks, adapt to modern technology and emphasize prevention,” Health Canada will pursue its comprehensive review of the health protection statutes it administers.

First Nations and Inuit Health

The 2002 Speech from the Throne underlined the Government’s commitment to address gaps in health status between Aboriginal people and other Canadians, and to work with its partners to improve health care delivery on reserve. That was underlined with the recent federal budget where the Government made a commitment of \$1.3 billion to the improvement of First Nations and Inuit health at the time of the February 2003 First Ministers’ Meeting.

Health Canada is committed to improving the quality of primary care, prevention and health promotion services. The main objectives are to ensure that the current system is effective, efficient and sustainable and to lay the groundwork for improvements in population health status through community-based initiatives such as healthy child development and chronic disease prevention.

Safety and the Management of Risks

This is a major focus for reflecting innovation in health and ensuring the health and safety of Canadians through evidence-based choices. Health Canada has the responsibility to enhance the safety of Canadians and manage risks to their health. In some cases, this involves cooperation with other departments on issues such as environmental health.

Health Canada will continue to enhance its emergency preparedness and response capabilities through the development of contingency plans and training. The Department will also maintain its links with international partners, particularly through the Global Health Security Action Group.

A fundamental aspect of this priority is to address Canadians' ongoing expectation of rapid access to effective health-related and regulated products and services, while preventing the marketing of products and services that do not work or that present an undue risk. More generally, departmental planning under this priority now takes into account the broader Smart Regulation Strategy that seeks to enhance Canada's place as a home for innovation while maintaining our standards for safety and stewardship. As part of this, Health Canada will continue efforts to improve its evaluation systems for drugs, biologics, medical devices and natural health products.

Improving Accountability to Canadians

Accountability is critical in demonstrating to Canadians how well we serve them using their tax dollars. It is central to achieving departmental priorities and ensuring the effective and efficient use of public resources for the best possible results.

Accountability is fundamental to good government. As an example of its importance, First Ministers have included accountability as a central element of the 2003 Accord on Health Care Renewal.

Good financial management is critical to good government. So is the effective use of human resources. These resources must be used effectively and allocated to high-priority areas. We must be accountable for outcomes in all these areas: financial management; human resource management; and the allocation of resources. The Department has, over the past year, enhanced financial management practices and strengthened accountability in the areas of grants and contributions and contracting, including steps to develop systems for effective oversight to provide warning signals in case of any failures suggesting the need for corrective actions.

Managerial accountability for the effective use of human resources has been, and will continue to remain, a key priority and a key element of the ongoing Workplace Health and Human Resources Modernization initiative. The Department takes its accountability seriously in ensuring that resources are allocated to high-priority areas and used effectively. A major initiative over the past year that would make a significant contribution to accountability is the Department's values and ethics exercise.

Summary of Budget 2003: Health Initiatives

The federal budget tabled on February 18, 2003, marks a significant turning point in health care in Canada, and has important implications for the Department. Budget 2003 confirms that the health of Canadians is among the Government's highest priorities. It allocates \$34.8 billion towards improving our health care system and promoting the good health of Canadians. Of this amount, approximately \$1.9 billion is allocated to Health Canada to carry out federal and national initiatives. The summary table provides details of Health Canada's budget 2003 funding as well as other health-related initiatives described in the budget.

Canada Health and Social Transfer

Budget 2003 identified a two-year extension of the originally agreed upon Canada Health and Social Transfer (CHST) five-year legislative framework put in place in September 2000, with an additional \$1.8 billion, which will bring total cash transfers to \$21.6 billion in 2006-2007 and \$22.2 billion in 2007-2008. Total transfers will increase by \$9.5 billion over the next five years. A \$2.5 billion CHST cash supplement to meet immediate needs in provincial and territorial health care systems is also identified. Provinces and territories will have flexibility to draw down this amount as they require up to the end of 2005-2006.

Health Reform

Health Reform Fund (\$16 billion over 5 years): Investments in primary health care, home care and catastrophic drug coverage are needed for a long-term sustainable public health care system in Canada. The federal government will create a 5-year Health Reform Fund which will transfer resources to the provinces and territories to address these three priorities. Recognizing that provinces and territories are at differing stages of reforms in these areas, the Fund will provide them the necessary flexibility to achieve the objectives of the Fund. Therefore, these funds to be transferred to the provinces and territories will be available at their discretion for any of the programs described within the Health Reform Fund. Achievement of the Health Reform Fund objectives by a province or territory will allow the use of any residual resources in the Fund for other priority areas of their own health system.

Diagnostic and Medical Equipment (\$1.5 billion): Enhancing the availability of publicly funded diagnostic care and treatment services is critical to reducing waiting times and ensuring the quality of our health care system. To this end, significant new investments are being made, including support for specialized staff training and equipment, which improve access to publicly funded diagnostic services. The Government of Canada will establish a Diagnostic/Medical Equipment Fund for that purpose.

Health Information Technology (\$600 million): Improving the accessibility and quality of information is critical to quality care, patient safety and sustainability, particularly for Canadians who live in rural and remote areas. Better use of information technology can also result in better utilization of resources. Budget 2003 announces an investment of \$600 million for Canada Health Infoway, Inc. to accelerate the development of electronic health records, common information technology standards

and further development of telehealth applications, which are critical to care in rural and remote areas.

Research Hospitals (\$500 million): The integration of biomedical, clinical and health services research has given rise to needs for new and different facilities that will house sophisticated equipment and bring together researchers in new and innovative ways. Budget 2003 announces an investment of \$500 million in research hospitals through the Canada Foundation for Innovation to support state-of-the-art health research facilities at Canada's teaching hospitals.

Direct Health Accord Initiatives

Canadian Coordinating Office for Health Technology Assessment (\$45 million over five years): Managing new technologies and treatments is critical to ensuring that our health system remains relevant to the evolving needs of Canadians. Health ministers will develop, by September 2004, a comprehensive strategy for technology assessment which evaluates the impact of new technology and provides advice on how to maximize its effective utilization in the future.

Patient Safety (\$50 million over five years): The implementation of a national strategy for improving patient safety is critical. Health ministers will take leadership in implementing the recommendations of the National Steering Committee on Patient Safety to promote innovative ways of improving patient safety, including professional development programs and research and analysis of patient safety issues.

Governance and Accountability (\$205 million over six years): Budget 2003 announced funding of \$70 million to the Canadian Institute for Health Information to support the Institute and Statistics Canada in the further development of Canada's national health statistics system. It is also to help them to report on the performance of the health system and the health of Canadians. An additional investment of \$15 million in 2003-2004 and \$30 million a year for 2004-2005 and subsequent years will support the production of health statistics as well as fund the creation and ongoing activities of a Health Council.

Strengthening Collaboration on Immunization (\$45 million over five years): Immunization is one of the most effective preventative health measures. This budget provides funding to strengthen collaboration on immunization which will result in improved safety and effectiveness of vaccines, a more efficient procurement process and better information on immunization coverage rates.

Other Health Initiatives in Support of Reform

Research and Innovation (\$925 million over six years): The budget provides \$925 million over 2002-2003 and the next five years to support health research in Canada. \$55 million annually will be provided to the Canadian Institutes of Health Research to advance health research in Canada through its network of 13 virtual institutes. The Government is also investing \$75 million in Genome Canada for health genomics and providing \$15 million to be used over seven years by the Rick Hansen Man In Motion Foundation to support its progress in finding a cure for spinal cord injuries. Finally, about

half of the \$225 million per year provided to universities, research hospitals and colleges to help fund the indirect costs of federally sponsored research will support health-related disciplines.

Canadian Health Services Research Foundation (CHSRF) (\$25 million): The budget announces funding for the CHSRF to initiate the Executive Training for Research Application program to train health system managers to use relevant research and innovation.

Pharmaceuticals Management (\$190 million over five years): Budget 2003 provides new funding to improve the timeliness of Health Canada's regulatory processes with respect to human drugs as an element of the overall health reform package. Access to safe, effective, new human drugs requires timely, efficient and scientifically rigorous review in all phases of the product cycle, including reviews and approvals by Health Canada and ongoing surveillance of safety and therapeutic effectiveness once a drug is on the market. Federal, provincial and territorial governments also require evidence on the cost-effectiveness of drugs in order to make sound listing decisions for public drug plan formularies.

Health Human Resources Planning, Coordination and Partnerships (\$90 million over five years): Appropriate planning and management of health human resources is key to ensuring that Canadians have access to the health providers they need, now and in the future. Collaborative strategies are to be undertaken to strengthen the evidence base for national planning; promote interdisciplinary provider education; improve recruitment and retention; and ensure the supply of needed health providers, including nurse practitioners, pharmacists and diagnostic technologists.

Health Services in Official Language Minority Communities (\$89 million over five years): Budget 2003 announced funding to implement a training and retention initiative for health professionals and a community networking initiative to improve access to services in both official languages in linguistic minority communities.

First Nations and Inuit Health

Budget 2003 provides \$1.3 billion over five years for an effective and sustainable health system for First Nations and Inuit. The resources will include: a funding base for the Non-Insured Health Benefits and community programs; a comprehensive nursing strategy; reinvestment in capital to bring facilities up to provincial standards; service integration pilots; and a national on reserve immunization strategy.

Other Health-Related Initiatives

Budget 2003 also announced \$1.3 billion of funding for additional direct Health Accord initiatives and health initiatives in support of reform. Of this, \$970 million is for the Employment Insurance Compassionate Family Care Leave Benefit, which will provide income support and job protection for workers who take time off work to care for gravely ill family members. \$270 million was announced for Sales Tax Measures in Support of Health Care Reform which will lead to the assessment and improvement of the current application of the health care rebate on the goods and services tax and harmonized sales tax with respect to health care functions that are moved outside of hospitals. The

Government of Canada also announced \$45 million in funding for Wellness and Sport Participation to increase participation in sport and other fitness activities.

Budget Initiatives Affecting Broader Determinants of Health

While much of the funding earmarked for health care will be transferred to provincial and territorial governments and other federal departments (e.g. fitness and compassionate care), there are significant initiatives outlined in the budget which, while not directly related to health, can be considered as contributing to the work of the Department and to important determinants of health.

These initiatives include increasing access to quality child care and early learning opportunities; tax assistance for persons with disabilities; significant investments to increase the supply of affordable housing and address homelessness; and funding for education, including education for Aboriginal people. Commitments made in the area of the environment do have significant impacts on the health of Canadians and contribute toward the Department's efforts in this area. Announcements in this budget include climate change measures and funding for air quality, safe water systems, remediation of contaminated sites and toxic substances management. Research initiatives will undoubtedly benefit the health community.

Summary of Budget 2003: Health Initiatives

(millions of dollars)

	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total Health Canada	Health related	Total Health
Canada Health and Social Transfer							12,000	12,000
Health Reform								
Health Reform Fund							16,000	16,000
Diagnostic/Medical Equipment							1,500	1,500
Health Information Technology							600	600
Research Hospitals (Canada Foundation for Innovation)							500	500
Subtotal							18,600	18,600
Direct Health Accord Initiatives								
Canadian Coordinating Office for Health Technology Assessment	5	10	10	10	10	45		45
Patient Safety	10	10	10	10	10	50		50
Governance and Accountability	15	30	30	30	30	135	70	205
Strengthening Collaboration on Immunization	5	10	10	10	10	45		45
Subtotal	35	60	60	60	60	275	70	345
Other Health Initiatives in Support of Reform								
Research and Innovation	2	2	2	2	2	10	915	925
Canadian Health Services Research Foundation							25	25
Pharmaceuticals Management	40	40	40	35	35	190		190
Health Human Resources Planning, Coordination and Partnerships	10	20	20	20	20	90		90
Health Services and Official Languages Minority Communities	12	13	18	23	23	89		89
Subtotal	64	75	80	80	80	379	940	1,319
First Nations and Inuit Health*	180	231	280	280	280	1,251		1,251
Other Health-Related Initiatives							1,285	1,285
Total	279	366	420	420	420	1,905	32,895	34,800

* Note that \$25 million was also allocated to Health Canada in 2002-2003 to address First Nations and Inuit health sustainability issues.

Section 4: Plans and Priorities by Strategic Outcomes

Summary of Strategic Outcomes, Priorities and Net Planned Spending (millions of dollars)*

Net Planned Spending	Strategic Outcomes**	Priorities
308.6	Enhanced access to quality health care services for Canadians	<p>Work in partnership with the provinces and territories to improve access to quality health care services for all Canadians and to ensure the system's future sustainability</p> <p>Uphold the <i>Canada Health Act</i> and work with the provinces and territories to ensure that all governments fulfill their commitment to its principles</p> <p>Improve the knowledge base and its application to health system issues</p> <p>Work in partnership with the provinces and territories to implement a national system of governance for the ethical conduct of research involving humans</p>
432.9	A healthier population by promoting health and preventing illness	<p>Promote healthy living</p> <p>Prevent illness</p> <p>Enable health promotion, disease prevention and control through surveillance and research</p> <p>Protect the health of Canadians by enhancing emergency preparedness and response capability</p>

Summary of Strategic Outcomes, Priorities and Net Planned Spending (continued)

Net Planned Spending	Strategic Outcomes**	Priorities
1,408.2	Healthier First Nations and Inuit through collaborative delivery of health promotion, disease prevention and health care services	<p>Enhance health promotion and prevention programs</p> <p>Improve the quality, accessibility and effectiveness of health care services</p> <p>Cooperate and collaborate with First Nations and Inuit communities, provinces and territories, and service providers to modernize and adapt the health service system for First Nations and Inuit</p> <p>Improve information and knowledge management to improve delivery of health care services and programs</p> <p>Implement effective evaluation and accountability mechanisms that will improve the management practices of Health Canada and First Nations and Inuit communities</p>
149.2	Safer health products and food for Canadians	<p>Improve operational effectiveness and strengthen service to Canadians</p> <p>Protect the people of Canada against risk factors related to health products and food</p> <p>Provide information and tools to assist the people of Canada make healthy choices</p>
198.9	Healthier environments and safer products for Canadians	<p>Reduce risks to health and safety, and improve protection against harm associated with workplace and environmental hazards, consumer products (including cosmetics), radiation-emitting devices, new chemical substances and products of biotechnology</p> <p>Reduce health and safety risks associated with tobacco consumption and the abuse of drugs, alcohol and other controlled substances</p>
35.2	Sustainable pest management products and programs for Canadians	<p>Ensure safe and effective pest control products</p> <p>Ensure compliance with the <i>Pest Control Products Act</i></p> <p>Ensure sustainable pest management practices that reduce reliance on the use of pesticides</p>

Summary of Strategic Outcomes, Priorities and Net Planned Spending (continued)

Net Planned Spending	Strategic Outcomes**	Priorities
82.9	Improved evidence base and increased use of information and communications technologies to support health decision making	<p>Accelerate the use of information and communications technologies in the health sector</p> <p>Increase access to health evidence in support of decision making and public accountability</p> <p>Establish a Departmental Information Management/Information Technology Strategy</p>
191.3	Effective support for the delivery of Health Canada's programs	<p>Effectively support the delivery of Health Canada's programs through sound management practices, including effective regional delivery of Health Canada's programs, tailored to meet local conditions</p> <p>Improve the Department's capacity to perform, harness, translate and use sound science to support evidence-based decision making, thereby optimizing health outcomes and minimizing health risks for Canadians</p>
2,807.2	Total Net Planned Spending	

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** Strategic Outcomes are based on Business/Service Line objectives.

Strategic Outcome

Enhanced access to quality health services for Canadians

The 2003 First Ministers' Accord on Health Care Renewal sets out an action plan that will ensure Canadians have reasonable access to quality health care. Budget 2003 committed \$34.8 billion over five years to provide predictable, sustainable and long-term funding in support of this goal. Working collaboratively with the provinces and territories, a significant portion of this funding will help to achieve meaningful reforms with respect to primary health care, home care and catastrophic drug coverage. In addition, Health Canada will continue to improve the knowledge base on health care system issues through research and analysis and plans to implement a national system for the ethical conduct of research involving humans.

Priority: Work in partnership with the provinces and territories to improve access to quality health care services for all Canadians and to ensure the system's future sustainability

Over the coming years, Health Canada will work in partnership with provinces and territories to implement the priorities and objectives of the 2003 First Ministers' Accord on Health Care Renewal. Its implementation will be a key driver of the Department's health care policy over the coming years.

To this end, the federal government will invest an additional \$34.8 billion in health care over the next five years. This includes the establishment of a \$16 billion Health Reform Fund to support primary health care reform, catastrophic drug coverage and the modernization of home care.


First Ministers agreed to use these funds to ensure that at least 50% of their residents have access to an appropriate health care provider, 24 hours a day, 7 days a week and that this target be fully met within 8 years. They also agreed to take measures to ensure that Canadians have reasonable access to catastrophic drug coverage by the end of 2005-2006.

To enhance access to home and community care services, First Ministers agreed that, by 2006, all Canadians should have access, based on assessed need, to first-dollar coverage for a basket of short-term acute home care services, including acute community mental health and end-of-life care. Health ministers have been directed to determine, by September 30, 2003, the basket of services to be provided. In a complementary effort, Canadians who need to temporarily leave their job to care for a gravely ill or dying child, parent or spouse will be able, if eligible, to access a compassionate care benefit offered through Human Resources Development Canada's Employment Insurance Program.

Federal investments accompanying the Accord also include \$2.6 billion to improve access to diagnostic services, to continue the development of secure electronic health records and to support

Objective

To provide a leadership role in collaboration with provinces/territories, health professionals, administrators and other key stakeholders, focussed on developing a shared vision for Canada's health system and identifying key priorities and implementation approaches to achieve needed changes that will improve the timeliness of access, and the quality and integration of health services (including primary, acute, home, community and long-term care) to better meet the health needs of Canadians wherever they live or whatever their financial circumstances.

 www.hc-sc.gc.ca/english/hca2003/index.html

research hospitals. Details for the application of a further \$1.3 billion for the improvement of First Nations and Inuit health will be worked out in consultation with First Nations and Inuit peoples.

An additional \$2.9 billion will also be directed to address other Accord and federal health priorities and to support health ministers in implementing a national strategy to improve patient safety, to develop strategies for technology assessment and to strengthen collaboration on immunization.

As well, new comparable indicators will be developed on the themes of access, quality, efficiency and effectiveness of the health system. To ensure accountability and to facilitate annual reporting on the progress, by all jurisdictions, on the implementation of the Accord, a Health Council will be formed, consisting of Canadians, including government representatives and experts.

Priority: Uphold the *Canada Health Act* and work with the provinces and territories to ensure that all governments fulfill their commitment to its principles

Health Canada will continue its ongoing work of monitoring and analyzing provincial and territorial health insurance plans, as well as innovations in the management and delivery of health care services, for compliance with the principles, conditions and extra-billing and user-charge provisions of the *Canada Health Act*. Further, it will work with the provinces and territories to investigate and address compliance issues. The Department is also committed to ongoing improvements in reporting to Parliament and Canadians on insured health care services provided by the provinces and territories, through the *Canada Health Act Annual Report*.

Priority: Improve the knowledge base and its application to health care system issues

As part of its work to improve the Department's knowledge base of health care system issues, Health Canada will continue to engage in research and analysis activities. In this regard, the Department collaborates with other levels of government in Canada, academics, stakeholder groups and international organizations. Particularly important international partners are the United States, Mexico and the European Union.


Quebec region and provincial partners will present, at the Annual Public Health Days, planning and evaluation tools to better equip groups working in rural and remote areas.

The Department continues to study issues such as access, quality and the cost-effectiveness and sustainability of health care services. It will also monitor the effects of health system reform on the lives of Canadians in rural, remote and northern areas. Also continuing are efforts to identify and analyze best practices on informal caregiving, effective substitution for acute and long-term care, home mental health case management and interventions, and the development of supportive housing options.

In partnership with Human Resources Development Canada and other key departments and agencies, Health Canada will continue to engage in occupational and sector studies with specific health professions in order to better understand the human resource requirements for these professions now and in the future. Health Canada will support health care administrators and managers in their efforts to recruit and retain nurses by developing and making available for distribution a set of best practices and recommendations to make workplaces healthier for nurses.

In the coming year, in collaboration with Citizenship and Immigration Canada, Human Resources Development Canada and Industry Canada, Health Canada will continue to develop web-based information on the licensing and the recognition of foreign credentials for health care professionals in Canada. Through the Canadian Taskforce on International Medical Graduates' Licensure, the Department will support the development of a set of recommendations to overcome the barriers to licensure faced by many international graduates in this country.

In 2003, Health Canada will pilot a training program to assist its employees in conducting gender-based analysis of policies, legislation and programs. Based on findings from the evaluation of this pilot, the training will be refined and then shared with other levels of government and professional health organizations. Gender-based analysis aims to support the development of policies and programs that take into account the differing health needs of women and men.

 http://www.hc-sc.gc.ca/english/women/facts_issues/facts_gender.htm

Health Canada is conducting work on how health systems learn and adapt successfully to respond effectively to challenges. The goal of this work is to identify the incentives that should be in place to ensure that systems learn from past mistakes and, better yet, anticipate and avoid injury/harm.

Health Canada will continue to provide strategic advice on international trade negotiations, such as the General Agreement on Trade in Services and the North American Free Trade Agreement, that have an impact on the health agenda.

The Department will undertake further research and analysis in human genetics on issues such as intellectual property, genetic information and privacy, and on the ethics of research involving humans. In collaboration with stakeholders, Health Canada will lead an initiative to promote the development of consensus guidelines on benefit sharing of genomics research. To ensure the safety and clinical utility of genetic tests and products, the Department will promote cross-jurisdictional work on genetic health technology assessment.

Priority: Work in partnership with the provinces and territories to implement a national system of governance for the ethical conduct of research involving humans

In the 2002 Speech from the Throne, the Government of Canada made the commitment to work in partnership with the provinces and territories to implement a national system of governance for the ethical conduct of research involving humans (RIH). Over the coming years, Health Canada will lead federal efforts towards the implementation of such a system of governance for the ethical conduct of RIH.

Health Canada will establish an interdepartmental mechanism to raise awareness and lead discussions regarding the challenges facing federal departments and agencies in ensuring the ethical conduct of RIH. The Department is also committed to pursuing discussions with the provinces and territories with respect to a national system of governance for the ethical conduct of RIH. Further, Health Canada will continue to work in support of the RIH community, in particular the Research Ethics Boards, building on efforts to increase information exchange, learning and innovation.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Net expenditures**	122.9	308.6***	327.9	323.1
FTEs	315	402	393	369

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The changes in net expenditures are mainly due to the implementation of the Primary Health Care initiative, which consists of funding of \$800 million over a six-year period (i.e. sunsetting in 2006-2007). Fluctuations are also explained by the newly approved funding for the setup of the Assisted Human Reproduction Agency of Canada.

*** This represents 11.0% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Health Policy and Communications Branch

Strategic Outcome

A healthier population by promoting health and preventing illness

Health promotion and disease prevention are the key to improving the overall health of Canadians. Governments, communities and individuals each have a role to play and Health Canada has a particular responsibility to provide leadership and to support the development of knowledge, understanding and tools for the promotion of healthier living and the prevention of illness.

Objective

Promote health and prevent and control injury and disease.

This is a long-term investment. The Department will build on its successes, and learn from the challenges it faces to ensure that its efforts are directed towards areas that have the greatest potential to improve the lives of Canadians.

Partnerships are key to success. Health Canada, through its regional and community networks, will continue to provide financial support and guidance to hundreds of initiatives at various levels throughout Canada. The Department will continue to ensure its grants and contributions are administered according to mandated requirements and will assess the impact of its health promotion and illness-prevention efforts in maximizing health benefits to Canadians.

Priority: Promote healthy living

Health Canada makes significant investments in programs that promote good health and prevent illness. The Department works with a broad range of partners to develop information, strategies and approaches to improve the health of Canadians. The Department also continues to work with the Canadian Institutes of Health Research in the development of strategies.

The Department plays a leading role in the Government of Canada's Early Childhood Development initiative. In 2003-2004, over \$100 million will be invested in some 900 community-based projects such as the Community Action Program for Children, the Canadian Prenatal Nutrition Program, and Aboriginal Head Start off reserve. Projects range from providing counselling and nutritional information to pregnant women, to operating support centres where parents and children can receive health information from community health professionals. The Department's contribution, through the Centres of Excellence for Children's Well-Being, will continue to fund research that leads to a wider understanding of children's health.

In support of the Canadian Diabetes Strategy, Health Canada will dedicate close to \$7 million in 2003-2004 for over 100 community-based projects. These projects are intended to prevent Type II diabetes and will be delivered through non-governmental organizations. The focus will be on health determinants and risk factors such as nutrition and physical inactivity.

Partnerships are integral to the Department's efforts to curb the incidence of chronic disease. For example, Health Canada funds research and public awareness campaigns regarding the risk behaviours that contribute to cancer. The Department supports both the Canadian Breast Cancer Research and

the Canadian Prostate Cancer Research initiatives, complementing Health Canada's Tobacco Control Strategy, which addresses risk factors for cancer.

The Atlantic and Ontario/Nunavut regional offices will partner to develop initiatives that promote social and economic inclusion. These initiatives will also foster community mobilization and the development of good public policies.

As part of the Government of Canada's Voluntary Sector Initiative, Health Canada will reinforce its relationship with volunteer organizations by beginning to implement the Codes of Good Practices on Policy Dialogue and Funding. This will include an internal policy review by the Department to improve voluntary organizations'—especially smaller ones—access to funding and policy processes.

In September 2002, federal, provincial and territorial health ministers agreed to work together to promote good health and reduce the most common risk factors for the chronic diseases that are the leading causes of death for Canadians. In 2003-2004, the Department will continue to engage the provinces and territories to develop an integrated Healthy Living Agenda to deliver health promotion and prevention programming. It will draw on the evidence base accumulated both through programs delivered by partners and through the Department's own research and policy work. It will consolidate promotion and prevention efforts according to the environments in which Canadians live, study and work.

Through the Atlantic Wellness Strategy for Healthy Eating and Active Living, Health Canada and its partners are collaborating to ensure that the national Healthy Living Agenda meets the unique needs of Atlantic Canadians.

In early 2003, Health Canada will co-sponsor a symposium with the provinces and territories to further engage key stakeholders in developing this Agenda and outlining strategies to achieve more favourable health outcomes. These strategies will focus initially on healthy eating, physical activity, healthy weights and tobacco. As the Healthy Living Agenda matures, Health Canada will work with the provinces and territories to apply integrated approaches to other risk factors, diseases and injuries.

Priority: Prevent illness

Health Canada will continue to invest significantly in initiatives to prevent and control infectious diseases in Canada. On an ongoing basis, it will monitor the prevalence of existing and emerging diseases (for example, West Nile Virus) and work with federal, provincial and territorial partners to coordinate responses, including providing advice to health officials across Canada.

Health Canada will invest approximately \$31 million in 2003-2004 as part of the Government's \$42.2 million effort to combat HIV/AIDS. Funding will be allocated to community groups, researchers and non-governmental organizations to provide access to HIV/AIDS health services, increase public awareness and knowledge of HIV/AIDS, and support people affected by this disease. Funds will also be allocated internally for policy development, national epidemiological surveillance, evaluating and reporting on progress, and international efforts. In addition, Health Canada will complete its five-year review of the Canadian Strategy on HIV/AIDS and report the results in its Departmental Performance Report.

It is estimated that between 210,000 and 275,000 people are currently infected with hepatitis C in Canada, with approximately 5,000 new infections each year. Many do not know they are infected as


symptoms may not appear for 20 to 30 years. The Department is responding to this disease on several fronts.

Fiscal year 2003-2004 is the final year of the Lookback/Traceback Initiative announced in 1998 to help identify people who have been infected through the blood system or who have donated infected blood. Health Canada will continue to pay half the costs borne by the provinces and territories. In addition, to improve access to health care and treatment services for persons with hepatitis C, the Department will transfer over \$43 million to the provinces and territories, as part of its \$300 million, 20-year commitment announced in 1998. The Department will also fund community-based organizations for education, outreach and harm-reduction programs for injection drug users, with the goal of reducing the incidence of disease. Health Canada will continue its research on the hepatitis C virus and behaviours associated with its transmission.

The Harm-Reduction Initiative is being led by Health Canada in the Manitoba and Saskatchewan Region with Correctional Services Canada and provincial Health and Corrections departments to reduce the spread of HIV and hepatitis C among the prison population.

Priority: Enable health promotion, disease prevention and control through surveillance and research


Health surveillance is an important component of public health. Health Canada, as part of the Network for Health Surveillance in Canada, assists decision-makers at the national, provincial and territorial levels by making tools available and coordinating efforts to strengthen health surveillance, thereby protecting and promoting the health of Canadians. In this regard, in 2002, a report of the Auditor General made a series of recommendations, and the Department will review its internal processes and continue to engage its provincial and territorial partners on shared issues raised in the report. In particular, in 2003-2004, Health Canada will act in a number of areas:

 http://www.hc-sc.gc.ca/pphb-dgspss/surveillance_e.html

- As part of the Canadian Integrated Public Health Surveillance project, the Department is developing secure, web-based tools for public health officials. One example is the case management module for communicable diseases that Health Canada will roll out to British Columbia health professionals.
- The Transfusion Transmitted Injuries Surveillance System will be expanded from six provinces and territories to all. This program enables the Department to learn from medical errors in blood transfusion medicine, to manage risks to the blood supply and to help ensure patient safety.
- In addition, Health Canada will develop agreements with all the provinces and territories for the standardized submission of data on HIV/AIDS and other sexually transmitted diseases to maintain a high-quality national database. It will develop additional data sources and methodologies to improve the ability to track key indicators of the HIV epidemic in Canada and develop national surveillance for HIV risk behaviour.

Priority: Protect the health of Canadians by enhancing emergency preparedness and response capability

The Department will continue to enhance its emergency preparedness and response capability. For example, Health Canada will develop contingency guidelines for hospitals in the case of bioterrorist events, including direction on the decontamination of people, equipment and premises that have been exposed to biological agents. The Department is also making preparations in the case of an unlikely—but potentially disastrous—outbreak of smallpox. Health Canada will ensure that Canada has sufficient doses of vaccine; finalize national contingency plans; and train public health professionals in all the provinces and territories to respond to a smallpox outbreak.

 <http://www.hc-sc.gc.ca/pphb-dgspsp/cepr-cmiu/index.html>

Strengthening its partnerships with provincial, territorial and municipal governments, the Department will organize a national public health conference in Toronto in October 2003 to examine the best response to chemical, biological, radiological and nuclear attacks. It will maintain its links with international partners, particularly through the Global Health Security Action Group, which consists of officials from G7 countries, the European Union and Mexico, and will work with other federal partners as part of ongoing security cooperation, including the Canada-United States biosecurity initiative.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)

	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Net expenditures**	389.6	432.9***	362.5	307.8
FTEs	1,088	1,132	1,098	1,093

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The fluctuation in net expenditures is due mainly to the following initiatives: Hepatitis C Lookback/Traceback, Hepatitis C Health Care Services, and the National Smallpox Preparedness and Response Strategy.

*** This represents 15.4% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Population and Public Health Branch

Strategic Outcome

Healthier First Nations and Inuit through collaborative delivery of health promotion, disease prevention and health care services

Health Canada is committed to closing the gap in health status between First Nations and Inuit and non-Aboriginal Canadians. First Nations and Inuit face significant health challenges including decreased life expectancy, higher incidence of chronic and infectious disease, and preventable illnesses compared to the general population. For example, heart disease prevalence is 1.5 times higher, diabetes 3 to 5 times higher, and tuberculosis infection rates 8 to 10 times higher. As well, 15% of new HIV/AIDS infections occur in Aboriginal people, who represent just 3.3% of the population.

Health Canada provides Non-Insured Health Benefits (NIHB) to some 721,000 eligible registered Indians and recognized Inuit and Innu. In addition, it delivers public health, health promotion/disease prevention programming to approximately 640 diverse First Nations and Inuit communities and primary care through a network of 74 nursing stations.

Issues which challenge the Canadian health care system, such as nursing shortages, escalating drug costs and new technologies, are multiplied in First Nations and Inuit communities. Remoteness, isolation and cultural uniqueness all add additional complexities to First Nations and Inuit health service delivery. These pressures, coupled with a growing population, are causing significant increases in the cost of NIHB and community health programs. Health Canada's ability to ensure the sustainability of First Nations and Inuit health services is critical to improving health status.

Over the past couple of years, Health Canada has, in partnership with First Nations and Inuit, examined various aspects of the system in efforts to develop and implement effective action plans. Romanow and Kirby recently tabled major health reports with Aboriginal health elements. Their recommendations focus on collaboration with new approaches that cut across traditional boundaries. In the 2002 Speech from the Throne, the Government committed to taking further action to close the gap in health status between Aboriginal and non-Aboriginal Canadians by putting in place a health promotion and disease prevention strategy, and by working with its partners to improve health care delivery on reserve.

Health Canada is collaborating with First Nations and Inuit, the provinces and territories, and other federal departments to deliver on this commitment. By focussing on prevention and promotion initiatives, while continuing to improve the quality and accessibility of programs, Health Canada and its partners seek to improve the health status of First Nations and Inuit. To complement these activities, Health Canada is striving to enhance and integrate the use of information and knowledge in decision making while implementing accountability practices aimed at improving management practices.

Objective

Sustainable health services and programs for First Nations and Inuit communities and people that address health inequalities and disease threats to make a contribution in providing them with a level of health comparable to that of other Canadians, within a context of First Nations and Inuit autonomy and control and in collaboration with the provinces and territories.

Priority: Enhance health promotion and prevention programs

Health Canada will continue to invest in health promotion and prevention programs for First Nations and Inuit, with specific programs targeting children, youth and mothers living in conditions of risk. During the year, the Department will engage in a variety of promotion and prevention activities as described below.

A new evaluation tool is being developed to measure the impact of British Columbia's Canada Prenatal Nutrition Programs during the six-month post-partum period. This new tool will measure benefits like food access, breastfeeding duration, and knowledge of infant development and care, among program participants.

To reduce the number of children affected by Fetal Alcohol Syndrome/Fetal Alcohol Effects (FAS/FAE) and improve the development outcomes of children affected by FAS/FAE, Health Canada will focus on training and educating parents and caregivers, developing supportive tools and resources, increasing the number of trained workers and initiating pilot projects.

To improve the effectiveness of the Canada Prenatal Nutrition Program for First Nations and Inuit, Health Canada will continue to support health service providers by providing them with training on relevant resources and tools. The Department will also launch a web site to allow easy access to current and relevant information.


Health Canada will increase funding for the Aboriginal Head Start (AHS) on reserve program expanding services for children with special needs and increasing the number of participating communities. In total, AHS program coverage will increase from 12% to 18% of First Nations children on reserve.

In order to assist First Nations and Inuit communities in addressing mental wellness, including the high rate of suicide, Health Canada will continue to work with the Assembly of First Nations and Inuit Tapiriit Kanatami to take action to address the serious issue of suicide, including work to address the recommendations in the Suicide Prevention Advisory Group report "Acting on What We Know: Preventing Youth Suicide in First Nations". As well, Health Canada will convene a youth roundtable to review the report's recommendations and, using the results of pilot projects, an assessment tool for identifying communities in crisis will be updated and widely distributed.

In 2003-2004, Health Canada will initiate 12-14 National Tobacco Control demonstration projects. These projects aim to increase the number of communities who implement Tobacco Control smoking policies and by-laws, and identify Tobacco Control as one of their health priorities.

In order to reduce the incidence of tuberculosis in First Nations communities, the Department will develop and implement tuberculosis risk assessment guidelines that will be piloted in 12 First Nations and Inuit communities. These pilot projects will be conducted with our partners in tuberculosis endemic areas.

Health Canada will deliver the Aboriginal Diabetes Initiative to support both the First Nations on reserve, Inuit and Innu Communities programming, and the Metis, off reserve Aboriginal, Urban Inuit Prevention and Promotion programming. The purpose of these initiatives is to provide prevention programming and primary care for diabetes.

 www.hc-sc.gc.ca/fnihb-dgspni/fnihb/cp/adi/index.htm

Health Canada will develop an Aboriginal AIDS Prevention Campaign. With First Nations and Inuit community leaders, promotional material on AIDS prevention will be developed and HIV/AIDS prevention workshops will be offered in communities, schools and on reserve.

Priority: Improve the quality, accessibility and effectiveness of health care services

Working with band councils and local health agencies, Health Canada will increase to 50% the proportion of preschool children and primary caregivers seen under the oral health promotion initiatives. It will also continue to improve its Dental Therapy Training program, increasing the availability of dental therapists in First Nations and Inuit communities.

To ensure standardized quality services for youth and adults with substance abuse problems, Health Canada will conduct assessments and provide support in acquiring accreditation for treatment centres funded under the National Native Alcohol and Drug Abuse Program and youth solvent abuse programs.

To ensure First Nations and Inuit receive needed post-hospital acute care and chronic and continuous illness care, Health Canada and its partners will implement home and community care (HCC) services. Seventy-one per cent of the communities are currently delivering home and community care services, enabling 361,369 people living in First Nations and Inuit communities to have access to HCC services. The target is to have 85% of First Nations and Inuit communities delivering HCC services by the end of 2004. Research is underway to consider the best ways to increase access to HCC services in the remaining small or geographically isolated communities.

 www.hc-sc.gc.ca/fnihb-dgspni/fnihb/phcph/fnihccp/index.htm

In 2003-2004, through the Non-Insured Health Benefits program (NIHB), Health Canada will implement a national framework to ensure consistency of the vision care benefit. A national medical transportation policy framework will be developed, ensuring better management practices and compliance with program policy. The Department will also develop an Electronic Dental Interface which will allow dental providers to submit dental claims electronically in real time. This will allow for a reduction in administrative tasks and the ability to produce reports to monitor dental provider usage. An assessment of the effectiveness of transferring NIHB management to First Nations communities will be undertaken.

As part of its Sustainable Development Strategy, Health Canada will strive to strengthen Aboriginal health and governance through programs addressing community needs and values in order to ensure community development and sustainability. Health Canada is committed to reducing the environmental hazards which affect the health of First Nations and Inuit communities by implementing management plans and phase-out plans for hazardous materials such as asbestos, PCBs and ozone-depleting substances.

The Department will replace all PCB-containing transformers and remove all ballasts containing PCBs at all its hospital facilities in accordance with the proposed regulations under the *Canadian Environmental Protection Act*. This is a Sustainable Development target.

Priority: Cooperate and collaborate with First Nations and Inuit communities, provinces and territories, and service providers to modernize and adapt the health service system for First Nations and Inuit

Health Canada plans to develop a Primary Health Care model which will expand collaboration and integration of health services in First Nations and Inuit communities. The model will focus on language, culture, distance and jurisdictional barriers that affect the provision of primary health care. It will also define core health services to be delivered to the community by various levels of government and agencies. Key elements to be addressed include protocols between providers and institutions, information sharing and e-health, case management and multi-disciplinary teams of health professionals at the regional and community levels, and their role in planning more effective health service delivery.

In collaboration with Indian and Northern Affairs Canada and Human Resources Development Canada, Health Canada will explore components of a single-window approach for federal early childhood development (ECD) programs. Activities will include an environmental scan of best practices, pilot projects and a consultation process. The aim is to increase service coordination at the community level, decrease administrative burden and improve reporting consistency and accountability across ECD programs.

Health Canada will continue to support Community Health Plan development in 8 demonstration sites for First Nations and Inuit communities under Contribution or Integrated agreements. These plans will assist communities in making decisions consistent with their health priorities.

The Alberta Community HIV Fund, a consortium of 18 community and public sector partners, will continue to support action to reduce the prevalence of HIV/AIDS and to strengthen care for people affected by HIV/AIDS and support through the strategic use of multi-jurisdictional funds.

In support of Aboriginal Women and HIV/AIDS national program activities, Health Canada will complete an inventory of existing programs, develop a guide and participate in National Women and AIDS conference planning. It is hoped that women's issues will be integrated into existing and new programs at national and regional levels as a result, and that individuals will know more about HIV/AIDS programs for women.

In order to address policy and management issues that affect the three northern territories, Health Canada will offer federal, single-window access for health programs and service delivery through the Territorial Wellness Initiative. This initiative will reduce the administrative burden on partner First Nations and Inuit communities and improve efficiency of service delivery.

Priority: Improve information and knowledge management to improve delivery of health care services and programs

Through the Government On-Line Initiative, Health Canada will complete the development and implementation of the Electronic Health Record (EHR) for home care, addictions and diabetes in 21 communities. The EHR will support improved client management and service delivery, program information and better access to health information.

Health Canada will work with its partners to develop and define an e-Health Strategic Vision and Policy Framework. This framework will support the identification of the appropriate role for Health Canada in applying information and communication technology to connect provider, patients and governments; to educate and inform health care professionals, managers and consumers; and to improve the management of the health care system. The Department will connect up to 145 First Nations and Inuit sites with a satellite and local area network infrastructure.


Through the Health Careers Bursary Program, Health Canada will continue to support First Nations and Inuit students who wish to pursue post-secondary studies and to assist post-secondary institutions that support these students in their health career-related studies.

Health Canada will continue to participate in the development of the National Diabetes Surveillance System to identify Aboriginal people in provincial/territorial health information systems and to develop a diabetes module within the First Nations and Inuit Health Information System. This will allow for increased information on diabetes incidence, prevalence, complications and mortality amongst First Nations, Inuit and Metis.

Health Canada will develop a Medical Transportation Record System and implement a national medical transportation audit framework. The audit framework will ensure a consistent approach to the validation of services and the verification of benefit utilization. It will also increase compliance with program policy and provide knowledge of providers' billing patterns.

Priority: Implement effective evaluation and accountability mechanisms that will improve the management practices of Health Canada and First Nations and Inuit communities

The NIHB Program will complete a minimum of 60 administrative on-site audits in the pharmacy and dental benefit areas and 20 administrative on-site audits in the medical supplies and equipment benefit area in 2004. The provider audit framework will enable the NIHB Program to track, on a quarterly basis, the billing patterns of all providers, to assist in targeting audits and to minimize the risk of inappropriate NIHB payments.

 <http://www.hc-sc.gc.ca/fnihb/nihb/index.htm>

The Department will complete deployment of the NIHB client consent initiative, which seeks formal consent for the use of personal information from all NIHB recipients. This will improve the ability to administer, deliver and manage the NIHB program.

In the coming year, Health Canada will continue to address the Public Accounts Committee and Office of the Auditor General recommendations on First Nations and Inuit health. For example, the Department will develop a comprehensive evaluation plan for all programs with grants and contributions to renew financial authorities and to maximize program efficiencies. Programs to be evaluated include: Brighter Futures, Building Healthy Communities, National Youth Solvent Abuse program, Health Service Transfer Policy and the Aboriginal Diabetes Initiative.

The Department will continue to develop program indicators and develop a performance management strategy consistent with the recommendations of the Performance Indicators Reporting Committee.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Gross expenditures	1,471.1	1,413.7	1,429.4	1,466.9
Less: Expected responsible revenues	7.0	5.5	5.5	5.5
Net expenditures**	1,464.1	1,408.2***	1,423.9	1,461.4
FTEs	1,473	1,473	1,455	1,455

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** Resource fluctuations are mainly explained by a decrease in funding for the First Nations and Inuit Health Program sustainability from 2002-2003 to future years and by an increase in funding in all fiscal years due to the growth of the Indian Envelope. The decrease in expected responsible revenues is due to the transfer of Sioux Lookout Hospital to Meno-Ya-Win effective September 1, 2002, resulting in Health Canada stopping to collect revenues for hospital services in the Sioux Lookout Zone Hospital.

The federal government has addressed the longer term (i.e. 2003-2004 and future years) sustainability of the First Nations/Inuit health programs in budget 2003.

*** This represents 50.1% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, First Nations and Inuit Health Branch

Strategic Outcome

Safer health products and food for Canadians

Health Canada ensures that the foods, drugs, medical devices, therapies and other health products that Canadians use are safe for their intended use. Its work is driven by the need to protect Canadians' health while ensuring that they have timely access to the products, therapies and information that improve and maintain health. In 2003-2004, the Department will strengthen its operational effectiveness, pursue new regulatory and inspection programs, and review its legislation to ensure that Health Canada is serving Canadians as effectively as possible.

Priority: Improve operational effectiveness and strengthen service to Canadians

Health Canada is responding to the 2002 Speech from the Throne commitments to "speed up the regulatory process for drug approvals to ensure that Canadians have faster access to the safe drugs they need". In the coming year, more resources will be allocated to improve the timeliness, efficiency and effectiveness of Health Canada's regulatory processes with respect to human drugs. In addition, additional resources will be allocated to post-market surveillance and risk communication and management; and enhanced pharmaceuticals management in the health system, including federal-provincial-territorial initiatives such as the Common Drug Review linked to cost-effectiveness.

The Department is responding to the 2002 Speech from the Throne's commitment to smart regulation by examining the *Food and Drugs Act*, its regulations, and portions of other legislation such as the *Canadian Environmental Protection Act*. This will be a step in updating these regulations, and in ensuring that they more effectively promote the health of Canadians and protect the environment. The Department will also introduce new mechanisms to improve the review times of all therapeutic products. In addition, the Department will explore the use of expert advisory committees and participate in programs with foreign regulatory agencies.

Critical to preparing for the future is the scientific research Health Canada conducts in-house and in partnership with universities and international organizations like the World Health Organization. In the coming year, the Department expects to invest over \$100 million on research and related science activities on food, drugs, veterinary drugs, natural health products and other therapeutics. This work will be directed at critical issues such as genetically modified foods, inactivating HIV and prion proteins in blood and blood products, the safety and quality of drugs, and the surveillance of at-risk groups such as children and the elderly.

Objective

The safety of food, and efficacy of drugs, natural health products, medical devices, biologics and related biotechnology products in the Canadian marketplace and health system, through the development and implementation of policy, legislation and regulatory frameworks, the promotion of good nutrition and the informed use of drugs, medical devices, food and natural health products.

Priority: Protect the people of Canada against risk factors related to health products and food

Reducing the potential risk of health products and food remains a priority for Health Canada. In 2003-2004, the Department will increase its surveillance, inspection and investigation activities, introduce new regulations, and continue to strengthen its emergency preparedness capacity.

The Department will inspect facilities that manufacture, import or distribute medical devices such as hospital gloves or x-ray machines. This will ensure that these facilities comply with the requirements of the Medical Devices Regulations.

The Department will inspect a sample of the thousands of trials performed in Canada. If problems are uncovered, the sponsor conducting the trial will be required to implement corrective actions. This new inspection program will increase compliance with international best practices and the Clinical Trial Regulations.

The Department will also introduce new regulations to protect the health of Canadians. More than half of all Canadians regularly take natural health products like vitamins, minerals and herbal products. As noted by the House of Commons Standing Committee on Health, the regulations on the review, inspection and information available to consumers about these products had been uncertain. In 2003-2004, the Department will take steps to finalize new regulations on the approval and inspection of these products so that the public can have confidence in these products' claims and effectiveness. As well, policies and regulations on the generic health claims of food and the addition of vitamins and minerals to food products will be proposed to give Canadians better flexibility in meeting their nutrient needs.



http://www.hc-sc.gc.ca/hpfb-dgpsa/nhpd-dpsn/index_e.html

Health Canada will also introduce new standards for the manufacturing of active pharmaceutical ingredients that are used in Canada and for the manufacturing of finished pharmaceuticals. These standards will be consistent with international standards used by the United States, the European Union and others, and will help ensure safe, effective pharmaceutical products.

The Department is also pursuing national safety standards and regulatory frameworks on the collection, manufacture and distribution of blood, cells, tissue and organs, and products derived from them. These will be developed in close collaboration with provincial and territorial governments. National standards on cells, tissues and organs will be released in 2003. New regulations are expected to be completed by 2005.

The Department will develop and implement new policies and procedures on how safety assessments are performed for food derived from biotechnology (so-called "genetically modified" food). This work will ensure that the safety assessment of these foods evolves with the science. It is also an important component in the Department's response to recommendations of the Royal Society of Canada's 2001 report and the Canadian Biotechnology Advisory Committee's 2002 report, *Improving the Regulation of Genetically Modified Foods and Other Novel Foods in Canada*.




www.hc-sc.gc.ca/english/protection/royalsociety

Antimicrobial resistance—where a specific antimicrobial drug becomes ineffective in killing or inhibiting the growth of microorganisms—is an important issue for Canadians’ health and could have a serious impact on the cost of health care. In the coming year, the Department will undertake consultations with stakeholders, invest approximately \$1 million in research and surveillance activities, and continue to promote federal antimicrobial resistance policy and science efforts to address this health issue.

Priority: Provide information and tools to assist the people of Canada make healthy choices

To help Canadians make informed choices about the health products and food they consume, the Department will require drug manufacturers to provide easy-to-understand information about their drug products such as how to take them, what adverse reactions are possible, and what to do if an adverse reaction occurs. Similarly, the Department will make available resources—including tools for educators—to raise awareness of nutrition labelling, nutrition content claims, and health claims of foods. This will help Canadians compare food products more easily, assess the nutritional value of foods and better manage special diets.

 <http://www.healthcanada.ca/nutritionlabelling>

Health Canada will update and share information on healthy weights. The Canadian Guidelines for Body Weight Classification in Adults will be revised to better inform health practitioners and Canadians about weight-related health risks. Also, *Canada’s Food Guide to Healthy Eating* will be reviewed to assess whether it continues to promote a pattern of eating that meets nutrient needs and promotes good health. This is a long-term undertaking which may lead to a revised food guide.

Also planned are an increase in the number of paper and electronic communications like *Fact Sheets* and *Dear Health Care Practitioners Letters* to inform Canadians and the medical and veterinary communities about developments in health products and food. In cases of problems with a food or health product, the Department will continue the prompt release of public health warnings.

Health Canada staff will continue to engage industry, university and other research leaders and the public to share information on the Department’s overall regulatory requirements, policies, procedures and standards on food and health products. Further, Health Canada will increasingly use the Health Products and Food Public Advisory Committee to solicit public input and strengthen the transparency of the decision-making process.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Gross expenditures	189.1	189.9	187.1	186.9
Less: Expected responsible revenues	40.7	40.7	40.7	40.7
Net expenditures**	148.4	149.2***	146.4	146.2
FTEs	1,763	1,787	1,758	1,743

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The increase in net expenditures between 2002-2003 and 2003-2004 is mainly due to the funding for the Canadian Biotechnology Strategy. The decrease from 2003-2004 to 2004-2005 is mainly due to the Legal Risks - Litigation Costs initiative.

*** This represents 5.3% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Health Products and Food Branch


Strategic Outcome

Healthier environments and safer products for Canadians

To ensure a healthier environment and safer products for Canadians, in 2003-2004 Health Canada will continue to use research, analysis and evidence-based decision making in delivering its programs and services. The Department will work with others to respond to the 2002 Speech from the Throne commitments to improve the quality of air and drinking water in Canada and to accelerate the clean-up of federal contaminated sites. The Department will also work to reduce the health and safety risks to Canadians associated with the use of consumer and tobacco products and the abuse of drugs, alcohol and other controlled substances through science-based policy, regulation and information dissemination. In support of the federal Innovation Strategy and in recognition of the benefit of a positive workplace environment to both health and economic productivity, the Department will begin the development of a multi-year National Healthy Workplace policy agenda.

Objective

Promote healthy living, working and recreational environments, and ensure the safety and efficacy of producer and consumer products in the Canadian marketplace.

 <http://www.hc-sc.gc.ca/hecs-sesc/>

Priority: Reduce risks to health and safety, and improve protection against harm associated with workplace and environmental hazards, consumer products (including cosmetics), radiation-emitting devices, new chemical substances and products of biotechnology

The Federal Nuclear Emergency Plan is part of Health Canada's broader effort to enhance Canada's ability to respond to emergencies. Beginning in 2003-2004, the Department will invest approximately \$3 million annually to undertake training and simulation exercises with the provinces and territories to test emergency preparedness, purchase radioactive contamination detection and protection equipment for workers, and work on a means of more quickly assessing radiation exposure of large populations in the case of nuclear events.

Health Canada provides health and safety services, as well as employee assistance services, to federal departments and agencies. A particular emphasis in the coming year will be to support the physical and psychological health of federal public servants who respond to terrorist incidents.

In 2003-2004, the Department will collaborate with the provinces and territories to update and disseminate new water quality guidelines. The use of these guidelines by all jurisdictions will be encouraged—in some cases through their adoption in regulations—and the Department will continue to provide expert advice on drinking water to federal, provincial, and territorial partners and stakeholders such as the Canadian Water and Waste Water Association.

To address air quality, the Department will develop tools to quantify its health impact. It will continue to work with the United States in addressing cross-border air quality issues. Partnerships with other federal departments, provinces,

During 2003-2004, the Alberta/Northwest Territories and Manitoba/Saskatchewan regional offices will work with Environment Canada to develop a common approach to federal strategies on prairie water issues.

territories, and non-governmental organizations (such as the Canadian Lung Association and the Canadian Medical Association) will also be key in identifying research agenda policies, programs and steps to improve air quality.

With the ratification of the Kyoto Accord, Health Canada will follow up on a strategy for assessing and managing the health risks of climate change. Elements of this strategy include: understanding the health implications of climate change; engaging the public health sector on the need to adapt to climate change; and assessing the health risks and benefits of technologies to reduce greenhouse gas emissions.

In support of Canadian commitments at the 2002 World Summit on Sustainable Development, Health Canada will collaborate with Environment Canada to consolidate knowledge on environmental threats to human health and transfer it to developing nations. To this end, over 2003-2005, a total of \$2.5 million will be invested equally by the two departments which includes contributions to the World Health Organization and the United Nations Environment Programme.

In 2003-2004, the Department will continue to identify toxic substances and develop strategies to limit or control human exposure to such substances. These activities support the *Canadian Environmental Protection Act* (CEPA), and meet concerns expressed by the Commissioner of the Environment and Sustainable Development about the timely review of the 23,000 substances CEPA requires to be assessed for toxicity.

Regulatory controls as required by CEPA and the *Food and Drugs Act*, and in support of Health Canada's Sustainable Development Strategy, will be implemented to reduce health risks and environmental concerns associated with chemical substances, biotechnology products, and cosmetic ingredients. The challenge will be to ensure that these controls are effective while not being unduly burdensome to industry.

As a follow up to stakeholder consultations, Health Canada will draft and publish regulations under the *Hazardous Products Act* to reduce lead content found in selected consumer products and their adverse effects on Canadian children. Similarly, the Department will improve protection from poisoning incidents and harmful chemical exposure by proposing new regulations for labelling cosmetic products and by implementing the initiation of the Globally Harmonized System for Classification and Labelling of Chemicals. This System will ultimately allow for strengthened domestic and international compliance and enforcement activities.

Beginning in 2003-2004, Health Canada will lead the development and promotion of a multi-year National Healthy Workplace policy agenda. Partners in this project include Human Resources Development Canada, the provinces, territories, private and academic sectors, and non-governmental organizations. It supports the federal Innovation Agenda and recognizes that a positive workplace benefits both health and economic productivity.



<http://www.hc-sc.gc.ca/hecs-sesc/whpsp/index.htm>


In 2003, the Department will release and promote the implementation of national guidelines on "Noise Emission Declaration for Machinery", the goal of which is to reduce noise-induced hearing loss in

the workplace. Ongoing management of the Workplace Hazardous Materials Information System will provide greater protection of workers from the dangers of hazardous workplace materials.

Priority: Reduce health and safety risks associated with tobacco consumption and the abuse of drugs, alcohol and other controlled substances

Health Canada will maintain its support for knowledge sharing on drug, alcohol and substance abuse, and continue to promote effective and innovative alcohol and drug treatment and rehabilitation services through partnerships with the provinces and territories. The Department will continue to provide identification of controlled substances and dismantle illicit drug labs and regulate access to controlled substances for research, medical and commercial purposes.

The Federal Tobacco Control Strategy addresses tobacco consumption as a risk factor in lung cancer, respiratory ailments, and heart and other chronic diseases. In 2003-2004, the Department will focus on improving youth and adult access to smoking cessation programs and resources. It will continue to warn of the dangers of second-hand smoke, and will work with its provincial and territorial partners to renew the tobacco control research agenda in Canada and undertake research, analysis and the dissemination of findings.

 <http://www.hc-sc.gc.ca/hecs-sesc/tobacco>

Tobacco is very much a cross-border issue, and Health Canada will collaborate with its international partners to finalize negotiations on the international Framework Convention on Tobacco Control. The Framework will establish common international standards on a range of tobacco control issues, and will support Canadian initiatives by reducing cross-border inconsistencies that hinder the impact of domestic efforts.

Cigarettes and other smoking materials are the leading cause of fire-related deaths in Canada. To reduce fire-related fatalities, injuries and property damage, Health Canada will strengthen regulations to promote the production of cigarettes that are less likely to accidentally ignite other objects.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Gross expenditures	218.0	208.7	219.0	217.3
Less: Expected responsible revenues	9.8	9.8	9.8	9.8
Net expenditures**	208.2	198.9***	209.2	207.5
FTEs	1,147	1,192	1,195	1,195

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The decrease in net expenditures from 2002-2003 to 2003-2004 is mainly due to the sunset of the funds related to Health Canada's legal responsibilities for toxic substances and the reduction in the level of funding of the Public Security and Anti-Terrorism initiatives. The increase from 2003-2004 to 2004-2005 is mainly due to the Federal Tobacco Control Strategy.

*** This represents 7.1% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Healthy Environments and Consumer Safety Branch

Strategic Outcome

Sustainable pest management products and programs for Canadians

All products designed to manage, destroy, attract or repel pests that are used or sold in, or imported into, Canada are regulated by Health Canada's Pest Management Regulatory Agency. These products—commonly called pesticides—include chemicals, devices and even organisms.

The public is increasingly concerned about whether pesticides have a long-term impact on health and the environment. The agricultural community, seeking to remain competitive in the global marketplace, wants greater access to the pesticides available in the United States and elsewhere. There is also growing interest in sustainable pest management to reduce reliance on pesticides. This is reflected in recently developed agricultural policies and in the decisions of municipalities to examine their pest management practices. Health Canada will respond to these and other trends by continuing to ensure that, based on the most up-to-date science available, only safe and effective pest control products are registered and available in the marketplace, that there is compliance with the *Pest Control Products Act*, and that sustainable pest management practices are developed in collaboration with stakeholders.


Objective

To protect human health and the environment by minimizing the risks associated with pest control products.

Priority: Ensure safe and effective pest control products

The new *Pest Control Products Act* (PCPA) received Royal Assent in December 2002, and an implementation plan has been prepared to bring it into force in 2004. The new act will strengthen health and environmental protection by requiring special protection for infants and children and taking into account pesticide exposure from all sources, including food and water, and considering cumulative effects of pesticides that act in the same way. Regulations being drafted under the Act pertain to pesticide sales data, reporting of adverse effects and product safety information.

In the future, registrants of pest control products will be required to submit sales data to a Health Canada national sales database. Work on the database has begun, and it will be fully functional by 2004. Sales data—as an indicator of the amount of pesticides used—will be used in assessing health and environmental risks and setting priorities for pesticide reevaluation. The project is also a Health Canada sustainable development initiative.

 www.hc-sc.gc.ca/pmra-arla

The new PCPA requires applicants and registrants to report any new information about adverse health or environmental effects or the efficacy of the pesticide. Regulations are being drafted to this end. Depending on the severity of the effect, a special review of the pesticide may result. Incident trends will be tracked and used to assess the effectiveness of risk management measures, and relations with poison control centres will be strengthened. The medical community and individuals will also be encouraged to report adverse effects. The Department has allocated \$3 million to this project over 2003-2006, and additional funding on an ongoing basis.

New regulations will be developed on the content of Material Safety Data Sheets to be provided in workplaces where pesticides are used or manufactured. These and other measures will make the regulation of pesticides fully consistent with the Workplace Hazardous Materials Information System, which applies to other workplace chemicals.

The Department continues to reevaluate pesticide active ingredients registered before December 31, 1994. Four hundred and five active ingredients are subject to reevaluation, with actions that have been taken on 58 active ingredients to date. The target date for completion is 2006, but meeting it is highly dependent on the United States Environmental Protection Agency (EPA), with whom Health Canada works closely. The review of lawn and garden pesticides is a priority and is scheduled for completion this year. The Department will accelerate the work on re-evaluation by devoting an additional \$1.9 million in 2003 and \$2.5 million annually starting in 2004, as well as hiring an additional 20 staff. This effort is a sustainable development commitment.

In 2002, both Health Canada and Agriculture and Agri-Food Canada received additional funding to give better access to reduced-risk and minor-use pesticides submitted for approval. Minor-use pesticides are those that would be used in such small quantities in the Canadian market that manufacturers do not register them in Canada because the sales potential is insufficient. The funding will help the Pest Management Regulatory Agency ensure that minor-use pesticides become more readily available in a timely manner. In addition, the Department recognizes the importance of having pesticides available in Canada at the same time as the United States, and will continue to participate actively in the EPA's Joint Review Program for minor-use pesticides. This initiative responds to issues raised by the *Report of the House of Commons Standing Committee on Agriculture and Agri-Food, Registration of Pesticides and the Competitiveness of Canadian Farmers*.

Improving upon the timeframes for reviewing all pesticides submitted for registration remains a priority. To this end, the Department will continue to work with its international partners and stakeholders to further harmonize data requirements, test methods and risk assessment procedures.

Priority: Ensure compliance with the *Pest Control Products Act*

Health Canada is committed to an effective compliance and monitoring program, not only for the protection of the health of Canadians and their environment, but also for the quality of products sold. While compliance with the PCPA has not been a major problem, it is important to maintain this status. The Department will continue to audit and monitor compliance and enforce the legislation through regular inspections and investigations of suspected violations.

Priority: Ensure sustainable pest management practices that reduce reliance on the use of pesticides

Sustainable pest management practices seek to reduce reliance on the use of traditional pesticides and increase the use of alternative approaches. Developing innovative approaches to sustainable pest management and integrating them into pest control products registration and regulations is a long-term priority of Health Canada. A particular focus is the agriculture industry.

The Department is working with Agriculture and Agri-Food Canada—and with stakeholders, including growers and their organizations, the provinces, the pesticide industry and non-governmental organizations—to develop and implement risk reduction strategies for pest management. Work on canola and apple strategies will continue, and will begin for potatoes and pulses (edible seeds, such as lentils).

There is also an active action plan on urban use pesticides. The Department is working with the provinces, territories and stakeholders to provide advice and direction on the implementation of the Healthy Lawns Strategy, deliver and implement the objectives of the Healthy Lawns Strategy and to promote information exchange in the area of lawn pest management and pesticides.

 <http://www.healthylawns.net>

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)

	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Gross expenditures	36.6	42.2	44.2	44.4
Less: Expected responsible revenues	7.0	7.0	7.0	7.0
Net expenditures**	29.6	35.2***	37.2	37.4
FTEs	449	506	539	540

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The increase in net expenditures is mainly due to the strengthening of the Pest Management Regulatory System initiative through the new *Pest Control Products Act*.

*** This represents 1.3% of the Department's net planned spending (before budget 2003).

Accountability

Executive Director, Pest Management Regulatory Agency

Strategic Outcome

Improved evidence base and increased use of information and communications technologies to support health decision making


Objective

A health system that delivers better health outcomes through more effective use of information technologies; more and better health research; and the effective use of a base of timely, accessible and reliable health information and analysis for evidence-based decision making and better public accountability.

Recent studies such as the Romanow and Kirby reports have underscored the importance health information and knowledge management will play in effecting health system change. Of crucial importance is an information infrastructure that will allow Canadians to take full advantage of the potential of information and evidence to support health decision making. Health Canada will continue to work with its many partners to accelerate the use of information and communications technologies in the health sector. The Department will focus its efforts in several areas, including the electronic health record, telehealth and health information for the public. The Department will also continue its efforts towards improving access to health evidence in support of decision making and public accountability.


Priority: Accelerate the use of information and communications technologies in the health sector

A cost-shared federal, provincial and territorial effort is under way to address privacy issues related to information and communications technology. The Department is also contributing to the development of the electronic health record through its support of Canada Health Infoway, Inc., which is leading this work in Canada. A key challenge will be harmonizing privacy protection among jurisdictions and providing privacy safeguards, which will be a prerequisite to the adoption of electronic health records.

 http://www.hc-sc.gc.ca/ohih-bsi/about_apropos/finance_e.html

The Canada Health Infostructure Partnerships Program (CHIPP) is an \$80 million program funded by Health Canada and other partners such as provinces, not-for-profit and for-profit organizations. CHIPP encourages collaboration, innovation and renewal in health care delivery through the use of modern information technology. The program ends in March 2004 with the complete implementation of 29 major projects across the country, mostly in telehealth and some in electronic health records. Project evaluations will immediately follow.

The Canada Health Portal (CHP) was launched on the internet in 2002 as part of the Government On-Line initiative. CHP's success as a source of health information for Canadians will be evaluated in 2003-2004. It will be measured by the number of visits to the site, the volume and types of questions and comments from users, requests for more extensive knowledge sharing about the CHP, and requests by other health information providers to join the site.

 http://chp-pcs.gc.ca/CHP/index_e.jsp

Priority: Increase access to health evidence in support of decision making and public accountability

The Department will continue to provide health information and research to health professionals and Canadians through the *Health Policy Research Bulletin* and Policy Research Working Papers. In 2003-2004, the Department plans to publish three bulletins and five working papers, and a reader survey will determine these publications' influence on program and policy decision making.

By providing \$95 million in funding over 2003-2007 to the Canadian Institute for Health Information, Health Canada will continue to support the production and dissemination of health data to the public and specialized audiences. Known as the Health Information Roadmap, the Canadian Institute for Health Information leads this initiative in partnership with Health Canada, Statistics Canada and others. The Roadmap will undergo a third-party evaluation of its first four years of operation. The evaluation will be completed by September 2003.

In the coming year, the Department will focus on data acquisition and database development to build models for pharmaceuticals, pharmacare and health human resources. These models will enable Health Canada to analyze and simulate policy options in these and other areas. As well, employee access to the Department's health and socio-economic data will be expanded through the roll-out of a web-based Data and Information System. These efforts will contribute to improved analysis of health issues and enhance Health Canada's capacity to make informed health policy decisions.

Planning is under way for the 2004 round of federal/provincial/territorial reports on health system performance using comparable indicators. As noted in the first federal report released in September 2002, Health Canada needs to improve the quality of its data and data systems. Overall, there is a need to improve the coverage, comparability and quality of all the performance reports. The Department will work with its partners to develop a plan to achieve these improvements by 2004.

Beginning with the Departmental Performance Report 2003-2004, Health Canada will report high-level performance information using performance indicators in Health Canada's Performance Management Framework. Implementing the framework will require the identification of key data sources and the development of data collection systems where data do not already exist. In some cases, because of methodological or technical challenges—particularly because of the difficulty of attributing health outcomes—Health Canada might need to use 'next-best' indicators while data to support better indicators are being developed.

Priority: Establish a Departmental Information Management/Information Technology Strategy

The Department's capacity to fulfill its roles and responsibilities is dependent, in part, upon the effective and efficient management and use of information and information and communications technologies. Following the recommendations of an independent assessment, the Department will strengthen over the next two years its management of information and information and communications technologies. It will also address key planning and resource allocation issues that affect efficiency and effectiveness.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Net expenditures**	122.8	82.9***	73.6	69.9
FTEs	623	608	608	600

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The decrease in net expenditures from 2002-2003 to 2003-2004 is mainly due to the reduction in resources for the Canada Health Infrastructure Partnerships Program (CHIPP) and to the sunsetting of Program Integrity resources for the Information Management and Information Technology initiative. The decrease in net expenditures from 2003-2004 to 2004-2005 is due mainly to the sunsetting of CHIPP, and the decrease in net expenditures from 2004-2005 to 2005-2006 is due mainly to the sunsetting of two Government On-Line projects, namely the Telehealth Project and the Primary Care Electronic Health Record Project.

*** This represents 3.0% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Information, Analysis and Connectivity Branch

Strategic Outcome

Effective support for the delivery of Health Canada's programs


The success of Health Canada's programs rests in part on a set of core services that supports its operations. A particular focus for the Department is continuous improvement in overall management practices, the regional delivery of programs and services, and the ongoing development of science and research capacity. The Department also remains committed to addressing health-related priorities of official language minority groups in Canada. Furthermore, the Department continues to improve its capacity to perform and use high-quality science in support of policy development and regulations, as well as program and service delivery.

Objective

To provide effective support for the delivery of Health Canada's programs and sound management practices across the Department.

Priority: Effectively support the delivery of Health Canada's programs through sound management practices, including effective regional delivery of Health Canada's programs, tailored to meet local conditions

Implementing modern management practices in Health Canada is an ongoing, long term initiative. The Department has committed to implementing a number of initiatives which are contributing to the building of a modern management organization, specifically in the areas of workplace health, human resource modernization, values and ethics, program evaluation and performance measurement, client satisfaction, risk management, knowledge management and accountability.

 http://www.hc-sc.gc.ca/english/care/estimates/modern_comptrollership.htm

The Department is committed to the ongoing development of a workplace that values and actively promotes employees' health and well-being; a diverse workplace that will attract and the talent needed to maintain the standards in delivering our programs and services to Canadians.

Building on its extensive department-wide Dialogue on Values and Ethics, the Department has developed core values touching on personal, organizational and the public good to build a healthy and ethical organization. An overall Multi-Year Action Plan will be implemented which focusses on communicating and integrating these core values, measuring performance and ensuring renewal of these values over time. Success will be measured by consistent and widespread communication and understanding of these values.

Health Canada has made significant strides to improve the management and accountability of its contracts and grants and contributions. Action plans are well under implementation, including mandatory training for managers, new tracking/database systems, the establishment of Contract Review and Control Committees and the creation of a quality assurance function.

In Health Canada risk management is an ongoing priority as it relates to health risks. The Department continues to improve its risk management practices in line with Treasury Board initiatives and is investing in an organization-wide approach to understanding, managing and communicating corporate risks, through the implementation of a new Integrated Risk Management Framework.

The Framework integrates the work of organizational units and such management functions as audit, program evaluation, quality assurance and financial and legal risk management. Success in mature risk management will be measured by the appropriate understanding by employees of these responsibilities and accountabilities, and their conduct for managing risk. Over the coming year, the Department will develop a corporate risk profile, which will be included in the Report on Plans and Priorities for 2004-2005.

At Health Canada, many in the organization are involved in emergency planning and response. The Department's regional offices have a significant role in planning, coordinating and implementing an effective, regional emergency response system that complements the National Departmental Emergency Preparedness Plan. This system works in conjunction with the provinces, emergency measures organizations, the federal Office of Critical Infrastructure Protection and Emergency Preparedness, and other federal departments. Over 2003-2005, the Regions will refine, test and evaluate regional emergency response plans as they participate in federal-provincial exercises to improve communication and response during emergencies.

English- and French-speaking language minority communities are concerned about their access to health-related services in their official language. Consistent with its commitment under the *Official Languages Act*, Health Canada will continue to work, via its two consultative committees, with both these communities and other partners to improve access to health services in official languages over the next five years. This partnership will be guided by the consultative committee reports presented to the Minister of Health in September 2001 by the French-speaking minority community and in July 2002 by the English-speaking minority community. The reports identified priority areas, including networking of stakeholders and the training and retention of health professionals in all regions of Canada. Existing departmental funds will, in part, cover this work.

Priority: Improve the Department's capacity to perform, harness, translate and use sound science to support evidence-based decision making, thereby optimizing health outcomes and minimizing health risks for Canadians

In 2003-2004, the Department, through the Office of the Chief Scientist (OCS), will invest \$6 million to fulfill its role as a catalyst and leader in ensuring that the Department has the science capacity it requires to improve Canadians' health and safety.

Health Canada benefits from science performed in-house as well as science performed by a network of external science organizations. In 2003-2004, the OCS will implement a Framework for Science to help the Department identify its science priorities and activities. The Framework will guide the production of a five-year Science Plan. The plan will ensure that Health Canada performs, and has access to, the important science needed to respond to emerging challenges and opportunities and to support departmental policies, regulations and programs. To reflect emerging health and safety challenges, the plan will be reviewed by the Minister's Science Advisory Board and updated annually.

Peer reviews are key to sound science. As part of the Framework for Science, Health Canada will begin a multi-year plan for external peer reviews of the science conducted in the Department's research laboratories. These will provide the Chief Scientist with a full evaluation of each science program,

recommendations for improvement, and baseline data to measure improvements. The Department will also work to ensure that its laboratories have quality systems and accreditation appropriate to their roles and responsibilities. Examples include the quality systems of the International Organization for Standardization (ISO 9000 and 17000 standards). The goal is to accredit 14 laboratories by 2005.

A focus for 2003-2004 is to collaborate with the Canadian Institutes of Health Research to support Health Canada's scientific requirements in food and water safety and the health of vulnerable populations. While the number of applications submitted by the research community and the results of the scientific review process will determine the number of projects funded, the Department anticipates that 10-15 new teams of researchers will be developed and funded for the next three to five years. By creating such partnerships, the Department will address complex problems that require multi-disciplinary, cross-sectoral approaches, and facilitate the transfer of new knowledge into application and enhance the impact of research investments on the health of Canadians.

Planned Spending (millions of dollars)* and Full-Time Equivalents (FTEs)				
	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Gross expenditures	203.3	192.0	186.8	184.2
Less: Expected responsible revenues	0.7	0.7	0.7	0.7
Net expenditures**	202.6	191.3***	186.1	183.5
FTEs	1,230	1,300	1,267	1,267

* Budget 2003 funds are not shown in the above table. They are shown by initiative in Section 3.

** The change in net expenditures from 2002-2003 to 2003-2004 is mainly due to decreases in resources for the Capital Rust-out initiative and the sunsetting of the funding related to the Hosting of the 2002 G8 Summit. The decreases in net expenditures from 2003-2004 to 2005-2006 are mainly due to the decreases in the level of funding for the Capital Rust-out initiative.

*** This represents 6.8% of the Department's net planned spending (before budget 2003).

Accountability

Assistant Deputy Minister, Corporate Services Branch

Assistant Deputy Minister, Information, Analysis and Connectivity Branch

Regional Directors General

Executive Director General, Audit and Accountability Bureau

Chief Scientist

Executive Offices

Section 5: Organization

Health Canada Objective

To help the people of Canada maintain and improve their health.

Business Line Descriptions

Health Care Policy

This business line supports policy development, analysis and communications related to leadership on all areas of Canada's health system, with clear emphasis on ensuring the viability and accessibility of Medicare and collaborative efforts, with provinces/territories and other stakeholders, to strengthen, modernize and sustain Canada's health system.

Health Promotion and Protection

This business line is responsible for developing a cohesive, coherent, consistent and horizontal approach to its activities in managing the risks and benefits to health for Canadians. It achieves these results through the development of policies and programs that support disease, illness and injury prevention and health promotion. The business line supports action to promote health by addressing determinants that fall both within and outside of the health sector throughout the human life cycle. The delivery of the population health approach, and its prevention and promotion activities, recognizes and emphasizes the importance of health throughout the human life cycle which takes place through a framework based on three stages of life: childhood and youth, early to mid-adulthood, and later life, with a specific recognition of investment in early childhood as a means to better health throughout life.

This business line also promotes healthy and safe living, working and recreational environments by anticipating, preventing and responding to health risks posed by food, water, occupational and environmental hazards, diseases, chemical and consumer products, alcohol and controlled substances, tobacco, pest control products, and peacetime disasters. It ensures that the drugs, medical devices, and other therapeutic products available to Canadians are safe, effective and of high quality.

First Nations and Inuit Health

This business line carries out its mandate through:

- the provision of community-based health promotion and prevention programs on reserve and in Inuit communities;
- the provision of non-insured health benefits to First Nations and Inuit people regardless of residence in Canada; and
- the provision of primary care and emergency services on reserve in remote and isolated areas where no provincial services are readily available.

Health Canada also supports the transition to increased control and management of these health services based on a renewed relationship with First Nations and the Inuit and a refocussed federal role. Health Canada participates in government policy development on aboriginal issues.

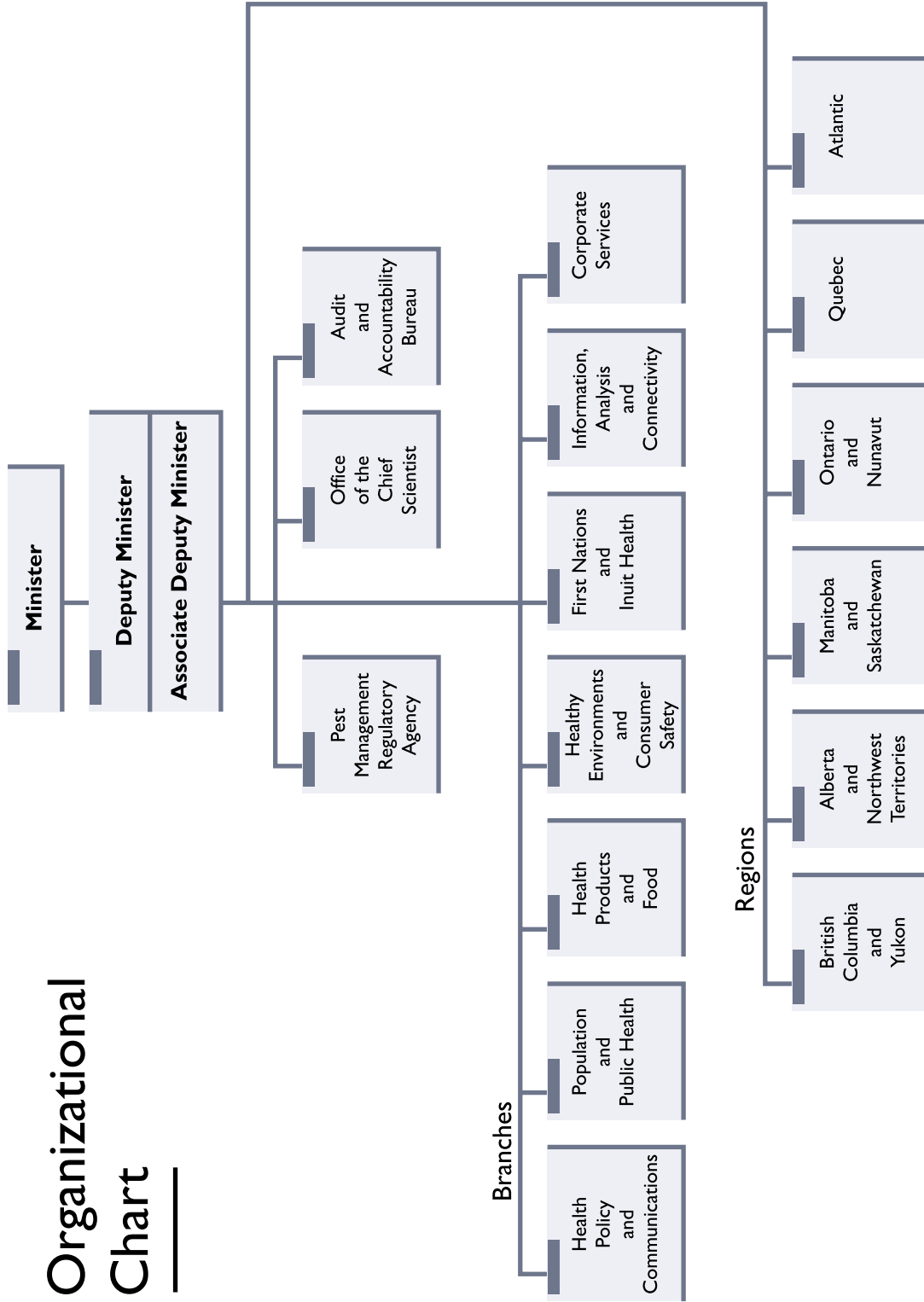
Information and Knowledge Management

This business line is responsible for improving the evidence base (both information and analysis) for decision-making and public accountability; updating the long-range strategic framework and policies that establish, direct and redirect the involvement of the federal government in health research policy; developing the creative use of modern information and communications technologies (including the information highway) in the health sector; and, in cooperation with the provinces and territories, the private sector and international partners, providing advice, expertise and assistance with respect to information management and information technology, planning and operations.

Departmental Management and Administration

This business line is responsible for providing administrative services to the Department.

Organizational Chart



5.1 Strategic Outcomes, Business Lines, Service Lines and Accountability (millions of dollars)

The following chart provides a crosswalk between the business lines, service lines, strategic outcomes, and accountability. It also represents the net planned spending of business lines and service lines before budget 2003.

Business Lines / Service Lines	Strategic Outcomes	Accountability	Net Planned Spending 2003-2004	Full-Time Equivalents
Health Care Policy	Enhanced access to quality health care services for Canadians	Assistant Deputy Minister, Health Policy and Communications Branch	308.6	402
Health Promotion and Protection				
Population and Public Health	A healthier population by promoting health and preventing illness	Assistant Deputy Minister, Population and Public Health Branch	432.9	1,132
Health Products and Food	Safer health products and food for Canadians	Assistant Deputy Minister, Health Products and Food Branch	149.2	1,787
Healthy Environments and Consumer Safety	Healthier environments and safer products for Canadians	Assistant Deputy Minister, Healthy Environments and Consumer Safety Branch	198.9	1,192
Pest Management Regulation	Sustainable pest management products and programs for Canadians	Executive Director, Pest Management Regulatory Agency	35.2	506

Business Lines / Service Lines	Strategic Outcomes	Accountability	Net Planned Spending 2003-2004	Full-Time Equivalents
First Nations and Inuit Health	Healthy First Nations and Inuit through collaborative delivery of health promotion, disease prevention and health care services	Assistant Deputy Minister, First Nations and Inuit Health Branch	1,408.2	1,473
Information and Knowledge Management	Improved evidence base and increased use of information and communications technologies to support health decision making	Assistant Deputy Minister, Information, Analysis and Connectivity Branch	82.9	608
Departmental Management and Administration	Effective support for the delivery of Health Canada's programs	Assistant Deputy Minister, Corporate Services Branch Assistant Deputy Minister, Information, Analysis and Connectivity Branch Regional Directors General Executive Director General, Audit and Accountability Bureau Chief Scientist Executive Offices	191.3	1,300

5.2 Departmental Planned Spending

(millions of dollars)*

	Forecast Spending 2002-2003**	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Budgetary Main Estimates	2,599.4	2,823.5	2,814.9	2,788.2
Less: Respendable Revenues	62.7	63.7	63.7	63.7
Total Main Estimates	2,536.7	2,759.8	2,751.2	2,724.5
Adjustments to Planned Spending	151.5	47.4	15.6	12.3
Net Planned Spending***	2,688.2	2,807.2	2,766.8	2,736.8
Budget 2003		279.0	366.0	420.0
Total Net Planned Spending	2,688.2	3,086.2	3,132.8	3,156.8
Less: Non-Respendable Revenues	8.2	8.2	8.2	8.2
Plus: Cost of services received without charge	73.1	78.6	79.2	79.0
Net Cost of Program	2,753.1	3,156.6	3,203.8	3,227.6
Full-Time Equivalents	8,088	8,400	8,313	8,262

* Budget 2003 information can be found in Section 3.

** Reflects the forecast of total planned spending.

*** Refer to Section 4 for explanation by business line of year-over-year fluctuations.

Section 6: Annexes

6.1 Net Cost of Program for 2003-2004 (millions of dollars)*

Gross Planned Spending (Gross Budgetary Main Estimates plus Adjustments)	2,870.9
Budget 2003	279.0
Total Gross Planned Spending	3,149.9
<i>Plus: Services received without charge</i>	
Accommodation provided by Public Works and Government Services Canada	34.4
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat	38.9
Worker's compensation coverage provided by Human Resources Development Canada	1.0
Salary and associated expenditures of legal services provided by Justice Canada	4.3
Less: <i>Respendable Revenues</i>	63.7
Less: <i>Non-Respendable Revenues</i>	8.2
2003-2004 Net Cost of Program	3,156.6

* Budget 2003 information can be found in Section 3.

6.2 Sources of Responsible Revenues

(millions of dollars)

Business Lines / Service Lines	Forecast Revenue 2002-2003	Planned Revenue 2003-2004	Planned Revenue 2004-2005	Planned Revenue 2005-2006
Health Promotion and Protection				
Health Products and Food	40.7	40.7	40.7	40.7
Healthy Environments and Consumer Safety	9.8	9.8	9.8	9.8
Pest Management Regulation	7.0	7.0	7.0	7.0
First Nations and Inuit Health	7.0	5.5	5.5	5.5
Departmental Management and Administration	0.7	0.7	0.7	0.7
Total Responsible Revenues	65.2	63.7	63.7	63.7

6.3 Sources of Non-Respendable Revenues

(millions of dollars)

Business Lines / Service Lines	Forecast Revenue 2002-2003	Planned Revenue 2003-2004	Planned Revenue 2004-2005	Planned Revenue 2005-2006
Health Promotion and Protection				
Health Products and Food	3.8	3.8	3.8	3.8
Healthy Environments and Consumer Safety	1.0	1.0	1.0	1.0
Pest Management Regulation	1.0	1.0	1.0	1.0
First Nations and Inuit Health	2.3	2.3	2.3	2.3
Departmental Management and Administration	0.1	0.1	0.1	0.1
Total Non-Respendable Revenues	8.2	8.2	8.2	8.2

6.4 Sources of Respendable and Non-Respendable Revenues

(millions of dollars)

	Forecast Revenue 2002-2003	Planned Revenue 2003-2004	Planned Revenue 2004-2005	Planned Revenue 2005-2006
Total Respendable Revenues	65.2	63.7	63.7	63.7
Total Non-Respendable Revenues	8.2	8.2	8.2	8.2
Total Respendable and Non- Respendable Revenues	73.4	71.9	71.9	71.9

6.5 Summary of Transfer Payments

(millions of dollars)*

Business Lines	Forecast Spending 2002-2003	Planned Spending 2003-2004	Planned Spending 2004-2005	Planned Spending 2005-2006
Grants				
Health Care Policy	3.8	3.4	3.4	3.4
Health Promotion and Protection	30.3	47.9	40.6	40.1
Total Grants	34.1	51.3	44.0	43.5
Contributions				
Health Care Policy	51.1	225.3	249.8	250.6
Health Promotion and Protection	193.4	194.1	171.6	169.4
First Nations and Inuit Health	666.9	708.4	714.6	738.3
Information and Knowledge Management	34.8	18.7	9.0	8.5
Departmental Management and Administration	31.1	24.8	20.3	19.4
Total Contributions	977.3	1,171.3	1,165.3	1,186.2
Other Transfer Payments				
Health Promotion and Protection	21.2	44.0	50.1	0.0
Total Other Transfer Payments	21.2	44.0	50.1	0.0
Total Grants, Contributions and Other Transfer Payments	1,032.6	1,266.6	1,259.4	1,229.7

* Budget 2003 figures are not included in this table. They are shown by initiative in Section 3.

6.6 Details on Transfer Payments, 2003-2004 Planned Spending (millions of dollars)*

Grants	Amount	Planned results and milestones
Health Care Policy		
Grants that are individually less than five million	3.4	N/A
Total Health Care Policy	3.4	
Health Promotion and Protection		
Grants that are individually less than five million	8.7	N/A
Grant to Canadian Blood Services — Blood Safety and Effectiveness Research and Development	5.0	Continued improvements to administrative processes, standard operating procedures and screening routines to ensure safety and effectiveness of blood supply service
Grant to persons & agencies to support health promotion projects in the area of community health, resource development, training & skill development, and research	26.2	<p>Increased number of community members capable of promoting healthy living activities</p> <p>Increased number of community-based initiatives that promote healthy living; increased number of community networks that promote daily physical activity</p> <p>Increased number of community-based initiatives that promote healthy environments and safer products</p>

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Grants	Amount	Planned results and milestones
Grant towards the Canadian Strategy on HIV/AIDS	8.0	Continued support for national and regional programs that provide information about prevention, care, treatment and support for people living with HIV/ AIDS, their care-providers and other client groups Strengthened community capacity to support the treatment of people affected by HIV/AIDS and to promote HIV/AIDS prevention activities especially in at-risk populations
Total Health Promotion and Protection	47.9	
Total Grants	51.3	

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Health Care Policy		
Contributions that are individually less than five million	5.1	N/A
Primary Health Care Transition Fund	220.2	<p>From 2001 to 2006: continued implementation of Primary Health Care Transition Fund in support of primary health care renewal</p> <p>By the end of 2003-2004: approval of grants and contributions agreements for all the initiatives supported under Primary Health Care Transition Fund's five funding envelopes: Provincial, Territorial, National, Multi-Jurisdictional, Aboriginal and Official Language Minority Communities</p>
Total Health Care Policy	225.3	
Health Promotion and Protection		
Contributions that are individually less than five million	4.5	N/A
Contributions to persons & agencies to support health promotion projects in the area of community health, resource development, training & skill development, and research	41.9	<p>Expanded number of trained community members who promote healthy living activities</p> <p>Increased number of community-based initiatives that promote healthy living and an increased number of community networks that promote daily physical activity</p> <p>Increased number of community-based initiatives that promote healthy environments and safer products</p>

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Payments to provinces & territories to support the development and provision of innovative alcohol and drug treatment and rehabilitation programs	14.5	<p>Improved access to effective and innovative treatment and rehabilitation for Canadians via cost-sharing agreements with the provinces and territories</p> <p>Program evaluation to examine key issues and questions on the effectiveness and efficiency of the program. This includes the development of a performance measurement strategy by fall 2003</p>
Payments to non-profit community organizations to support, on a long-term basis, the development & provision of preventive & early intervention services aimed at addressing the health & development problems experienced by young children at risk in Canada	82.1	<p>Improved health and social development of children 0-6 years old who are at risk</p> <p>Participation of approximately 90,000 parents/ caregivers and children in Community Action Program for Children in more than 400 sites</p> <p>Improved access to prenatal care and health services for pregnant women at risk</p> <p>Approximately 40,000 women will participate in the Canada Prenatal Nutrition Program in more than 300 sites</p>
Contributions towards the Canadian Strategy on HIV/AIDS	10.8	<p>Continued support for national and regional programs that provide information about prevention, care, treatment and support for people living with HIV/ AIDS, their care-providers and other client groups</p> <p>Strengthened community capacity to support the treatment of people affected by HIV/AIDS and to promote HIV/AIDS prevention activities especially in at-risk populations</p>
Contributions to incorporated local or regional non-profit Aboriginal organizations and institutions for the purpose of developing Aboriginal Head Start programs for Aboriginal pre-school children & their families	29.1	<p>Expansion of Aboriginal Head Start programs off reserve facilities; creation of new centres</p> <p>By 2004-2005: increased enrollment in Aboriginal Head Start programs by approximately 1,000 children</p> <p>Enhanced programming in 114 community sites to support parental involvement for special needs children. Increased training opportunities for project staff in areas such as service to special needs children and parental involvement</p>

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Contribution in support of the Federal Tobacco Control Strategy	11.2	<p>Improved capacity at the national, regional and local levels to reduce smoking prevalence and an increased understanding of best practices in tobacco control</p> <p>Reduced number of people exposed to environmental tobacco smoke</p> <p>Targets for 2006-2007:</p> <ul style="list-style-type: none"> • Reduced smoking prevalence to 20% from 25% in 1999 for those aged 15 years and over • Increased retailer compliance regarding youth access to sales to 80% from 69% in 1999 • Reduced number of cigarettes sold to 32 billion from 45 billion in 1999
Total Health Promotion and Protection	194.1	

First Nations and Inuit Health

Contributions that are individually less than five million	4.6	N/A
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Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Contributions to integrated Indian and Inuit community based Health Care Services	305.9	<p>By the end of 2004: capacity within 85% of First Nations and Inuit communities to deliver Home and Community Care Services</p> <p>By the end of 2004: completion of a guide to HIV/AIDS national programs for Aboriginal women</p> <p>In the coming year: assessments of the National Native Alcohol and Drug Abuse Programs (NNADAP), plus support toward the accreditation of NNADAP treatment centres and solvent abuse programs</p> <p>In 2003-2004: evaluation of Brighter Futures program</p> <p>A new nutrition screening tool kit and a national training session for program staff to be offered by the Canada Prenatal Nutrition Program</p>
Payments to Indian bands, associations or groups for the control and provision of health services	194.0	<p>Increased flexibility in the design and delivery of community health programs and services</p> <p>Increased control by First Nations communities of health care services and enhanced accountability of First Nations leaders</p>
Contributions to support pilot projects to assess options for transferring the Non-Insured Health Benefits Program to First Nations and Inuit control	12.0	<p>Continued Non-Insured Health Benefits pilot projects in Manitoba and Alberta for the transfer of Non-Insured Health Benefits to First Nations and Inuit communities</p> <p>Completed assessment of the effectiveness of transferring Non-Insured Health Benefits management to First Nations communities</p>
Contributions to Indian bands, Indian and Inuit associations or groups or local governments and the territorial governments for Non-Insured Health Services	102.3	<p>Continued support of Non-Insured Health Benefits to ensure program and project sustainability</p> <p>Continued support for First Nations and Inuit control of the benefits program</p>

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Contributions on behalf of, or to Indians or Inuit towards the cost of construction, extension or renovation of hospitals and other health care delivery facilities and institutions as well as of hospital and health care equipment	11.4	Continued support for appropriate on reserve health care facilities Continued support for the ongoing maintenance of health care facilities (including NNADAP treatment centres) for First Nations and Inuit Continued provision of modern, safe and functional office and living accommodations for staff
Contribution towards the Aboriginal Head Start On reserve Program	27.8	Aboriginal Head Start program coverage will increase from 12% to 18% of First Nations children on reserve Increased awareness for parents of children's nutritional needs Increased family involvement in Aboriginal Head Start
Contributions for First Nations and Inuit Health promotion and prevention projects and for developmental projects to support First Nations and Inuit control of health services	45.4	In 2003-2004: implementation of between 12 and 14 National Tobacco Control demonstration projects to determine best practices for program delivery Completion of a comprehensive evaluation of the Aboriginal Diabetes Initiative
Payments to the Aboriginal Health Institute/Centre for the Advancement of Aboriginal Peoples' Health	5.0	Continued empowerment of Aboriginal peoples through advancements in knowledge and sharing of knowledge on Aboriginal health
Total First Nations and Inuit Health	708.4	

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Contributions	Amount	Planned results and milestones
Information and Knowledge Management		
Contributions that are individually less than five million	7.5	N/A
Canada Health Infostructure Partnerships Program	11.2	<p>Improved accessibility and quality of health care delivery and a better understanding of the outcomes of information communication technology-enabled health care delivery</p> <p>By March 2004, 29 major projects from across the country will be implemented with the project evaluations to follow immediately</p>
Total Information and Knowledge Management	18.7	
Departmental Management and Administration		
Contributions that are individually less than five million	3.3	N/A
Contributions on behalf of, or to, Indians or Inuit towards the cost of construction, extension or renovation of hospitals and other health care delivery facilities and institutions as well as of hospital and health care equipment	21.5	Improved accessibility and quality of health care delivery and a better understanding of the outcomes of information communication technology-enabled health care delivery for First Nations and Inuit
Total Departmental Management and Administration	24.8	
Total Contributions	1,171.3	

Details on Transfer Payments, 2003-2004 Planned Spending (continued)

Other Transfer Payments	Amount	Planned results and milestones
Payments to Provinces and Territories to improve access to health care and treatment services to persons infected with hepatitis C through the blood system	44.0	Improved access to current and emerging antiviral drug therapies, other relevant drug therapies, immunization and health care services for the treatment of hepatitis C infection and related medical conditions Continued regular reporting on the benefits of the funded initiatives
Total Other Transfer Payments	44.0	
Total Grants, Contributions and Other Transfer Payments	1,266.6	

* Budget 2003 figures are not included in this table. They are shown by initiative in Section 3.

6.7 Summary of Proposed Regulatory Initiatives

Major or Significant Regulatory Initiatives proposed to be published in Canada Gazette Part II between April 1, 2003 and March 31, 2004

Regulatory Initiatives	Planned Results
Scheduling of modafinil to Schedule III of the <i>Controlled Drugs and Substances Act</i> (CDSA) and Part G of the Food and Drug Regulations	Control of modafinil to reduce the potential for abuse, misuse and diversion
Scheduling of zaleplon and zopiclone to the CDSA and the Benzodiazepine and Other Targeted Substance Regulations	Control of zaleplon and zopiclone to reduce the potential for abuse, misuse and diversion
Amendments to the Food and Drug Regulations for the provision of food irradiation	Changes in regulations will allow for the optional use of the food irradiation process for ground beef, poultry, shrimp, prawns and mangoes to control pathogens, reduce microbes and insect infestation, and extend shelf life
Miscellaneous Amendments to Division 16 of the Food and Drug Regulations	The introduction of new food additives or expanded uses of food additives currently listed in the Food and Drug Regulations will allow Canadians access to new or improved food products
Amendment to Schedule 1293 of the Medical Devices Regulations	Added requirement for Quality Systems for Classes II, III and IV medical devices. Will allow Health Canada to conduct the activities needed to meet its regulatory obligation to ensure that medical devices sold in Canada are safe, effective and of high quality
Miscellaneous Amendments to Division 15 of the Food and Drug Regulations concerning the maximum residue limits for veterinary drugs	New or revised maximum residue limits for veterinary drugs to ensure the safety of food products from animals treated with the veterinary drugs

Regulatory Initiatives	Planned Results
Regulations on Natural Health Products	Proposed regulations would ensure timely access to natural health products that are safe, effective and of high quality, while respecting Canadians' philosophical and cultural diversity; and contribute to the competitiveness of the Canadian natural health product industry
Miscellaneous Amendments to Division 15 of the Food and Drug Regulations concerning the maximum residue limits for pest control products	New or revised maximum residue limits for pest control products to ensure the safety of food following use of these products on crops or food-producing animals

Major or Significant Regulatory Initiatives proposed to be published in Canada Gazette Part I between April 1, 2003 and March 31, 2004

Regulatory Initiatives	Planned Results
Update current regulations in light of new <i>Pest Control Products Act</i> (new PCPA)	The regulations will be modified to fit changes in the new PCPA
Regulations respecting pesticide sales data	Regulations will specify requirements for recording, retaining and reporting sales of pest control products under new PCPA
Regulations respecting mandatory reporting of adverse effects of pesticides	Regulations will specify types of information that must be reported by registrants/applicants under new PCPA and time frames for reporting
Regulations respecting Material Safety Data Sheets for pesticides	Regulations will specify the contents of Material Safety Data Sheets to be provided to workplaces under new PCPA
Miscellaneous Amendments to Division 15 of the Food and Drug Regulations concerning the maximum residue limit for pest control products	New or revised maximum residue limits for pest control products to ensure the safety of food following use of these products on crops or food-producing animals
Amendments to the Cosmetic Regulations concerning ingredients labelling	Cosmetics manufacturers and importers to disclose ingredients on their product labels, using the internationally accepted INCI labelling system. This information will help Canadians avoid and treat possible adverse reactions

Regulatory Initiatives	Planned Results
Omnibus Amendment to the definition of Common Law Partner	An amendment to modernize the language in the regulations under the <i>Controlled Drugs and Substances Act</i> and <i>Food and Drugs Act</i> to include the co-habitation of same sex partners
Regulations to introduce a government standard for reduced ignition propensity cigarettes for all cigarettes sold in Canada	Reduction in the number of accidental fires caused by burning cigarettes and a reduction in the resulting injuries, fatalities and property damage
Amendments to the Tobacco Products Information Regulations and the Tobacco Reporting Regulations	Response to Standing Joint Committee for the Scrutiny of Regulations concerns and feedback from industry and other stakeholders
Tobacco Promotion Regulations prohibiting “light” and “mild” descriptors	Reduced confusion among smokers regarding these descriptors. Greater awareness that no class of cigarettes is a “safer” alternative
Amendments to the Food and Drug Regulations to enhance labelling about food allergens	Mandatory labelling of specific food allergens, and sulphites when present at 10 parts per million or more, on the labels of prepackaged food products, whether they have been added directly or indirectly
Amendments to the Food and Drug Regulations concerning the addition of vitamins and minerals to foods	Appropriate revision of regulations on the addition of vitamins and minerals to foods taking into account the role of nutrient addition to foods, consumer needs and expectations, and industry requests
Miscellaneous Amendments to Division 16 of the Food and Drug Regulations	The use of new food additives or expanded uses of food additives currently listed in the Food and Drug Regulations will allow Canadians access to new or improved food products
Revisions to Division 12 of the Food and Drug Regulations	Modernization and expansion of the safety and labelling requirements for prepackaged water (e.g. bottled water) and ice products
Amendment to the Food and Drug Regulations concerning product-specific health claims for foods	Pre-clearance requirements for product-specific claims on foods that are manufactured, sold or represented to have a direct, measurable effect on a body function or structure beyond normal growth and development or maintenance of good health
Miscellaneous Amendments to Division 15 of the Food and Drug Regulations concerning the maximum residue limits for veterinary drugs	New or revised maximum residue limits for veterinary drugs to ensure the safety of food products from animals treated with the veterinary drugs

Regulatory Initiatives	Planned Results
Regulatory Framework for Blood Safety	Proposed regulatory framework for blood to include basic safety requirements, surveillance, adverse event reporting and a compliance strategy
Regulatory Framework for the Safety of Human Cells, Tissues and Organs for Transplantation and Assisted Reproduction	Proposed regulatory framework for cells, tissues and organs to include basic safety requirements, surveillance, adverse event reporting and the development of a compliance strategy
Amendment to Division 4 of the Food and Drug Regulations for Plasmapheresis	Updating regulations will reflect current practices and advances in technologies in order to ensure the safety of plasma and plasma donors

6.8 Departmental Contacts

Atlantic Region

Maritime Centre, Suite 1918
 1505 Barrington Street
 Halifax, Nova Scotia B3J 3Y6
 Telephone: (902) 426-9564
 Facsimile: (902) 426-6659

Quebec Region

Complexe Guy Favreau, East Tower
 Suite 202
 200 René Lévesque Blvd. West
 Montreal, Quebec H2Z 1X4
 Telephone: (514) 283-5186
 Facsimile: (514) 283-1364

Ontario and Nunavut Region

4th Floor, 25 St. Clair Avenue East
 Toronto, Ontario M4T 1M2
 Telephone: (416) 954-3593
 Facsimile: (416) 954-3599

National Capital Region

Telephone: (613) 957-2991
 Facsimile: (613) 941-5366
 Internet: <http://www.hc-sc.gc.ca>

Manitoba and Saskatchewan Region

437-391 York Avenue
 Winnipeg, Manitoba R3C 0P9
 Telephone: (204) 983-4764
 Facsimile: (204) 983-5325

Alberta and Northwest Territories Region

Canada Place, Room 710
 9700 Jasper Avenue
 Edmonton, Alberta T5J 4C3
 Telephone: (780) 495-5172
 Facsimile: (780) 495-5551

British Columbia and Yukon Region

757 West Hastings Street, Room 235
 Vancouver, British Columbia V6C 1A1
 Telephone: (604) 666-2083
 Facsimile: (604) 666-2258

For publications, write to:

Health Canada
 0913A, Brooke Claxton Building
 Ottawa, Ontario, CANADA
 K1A 0K9

Section 7: Index

A

Aboriginal *See* First Nations and Inuit

Accord on Health Care Renewal, First Ministers' 11, 14, 23

Accountability to Canadians 14

Acts

Canada Health Act 7

Canadian Environmental Protection Act 33, 37, 42

Controlled Drugs and Substances Act 7

Department of Health Act 7

Food and Drugs Act 7, 37, 42

Hazardous Products Act 42

Official Languages Act 52

Pest Control Products Act 7, 45, 46

AIDS *See* diseases: HIV/AIDS

B

bioterrorist 30

C

Canada Health and Social Transfer 15

Canada Health Infostructure Partnership Program 48

Canada Health Infoway, Inc. 15, 48

Canada Health Portal 48

Canadian Health Services Research Foundation 17

Canadian Institutes of Health Research 16

catastrophic drug coverage 23

Chief Scientist, Office of the 52

children

Aboriginal Head Start 27, 32

Canadian Prenatal Nutrition Program 27, 32

Centres of Excellence for Children's Well-Being 27

Community Action Program for Children 27
early childhood development 27, 34
clinical trials, inspection of 38
Compassionate Family Care Leave Benefit 17
comptrollership 11

D

diagnostic and medical equipment 15
diseases
cancer 27, 28, 43
chronic 27, 28, 31, 33, 43
Diabetes 27, 31, 32, 34, 35
hepatitis C 28, 29
HIV/AIDS 28, 29, 31, 33
tuberculosis 31, 32
disease prevention 13, 27
drugs 37
controlled substances 43

E

electronic health record 13, 34, 48
emergency preparedness 30, 41, 52
environment 18, 33, 37, 42, 45, 46

F

First Ministers' Agreement on Health 12
First Nations and Inuit
dental care 33
health care delivery 13
Non-Insured Health Benefits 17, 31
supplementary health benefits 9
Territorial Wellness Initiative 34
vision care 33

Food derived from biotechnology 38

G

gender-based analysis 11, 25
Global Health Security Action Group 14, 30

Government On-Line 34, 48

grants, evaluation of 35

H

healthy living 4, 13, 27

Healthy Living Agenda 28

Health Careers Bursary Program 35

health care services 23, 24, 31, 33, 34

Health Council 12

health information technology 15

health promotion 13, 27, 28, 29, 31, 32

Health Reform Fund 12, 23

health surveillance 29

health systems performance reports 49

home care services 23, 33

human genetics, research in 25

human resource requirements 24

I

immunization 16

information provider 9

international graduates, medical licensing 25

international trade negotiations 25

K

Kyoto Accord 42

M

medical devices, inspection of 38

N

National Healthy Workplace policy agenda 41, 42

Network for Health Surveillance 29

nutrition labelling 39

P

patient safety 16, 24

performance indicators 49

pesticides 45, 46, 47

primary health care 23

products

blood 29, 38

labelling 42

natural health 38

pharmaceutical 17, 38

provincial and territorial health insurance plans, monitoring 24

public health warnings 39

R

regulatory process for drug approvals 37

regulatory system 9, 17

rehabilitation services 43

risk management 51, 52

Romanow and Kirby Reports 11, 31, 48

rural and remote communities 24

S

sustainable development 11, 33, 42, 45, 46

T

technology assessment 16

telehealth 13, 48

tobacco

control 13

second-hand smoke 43

smoking cessation programs 43

V

vaccine 30

W

World Health Organization 37