

Canadian elections: the real issues in the health care debate

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Time and again, ordinary Canadians have expressed great concern about the rapidly deteriorating state of the country's public health system, with its long waiting lists, overcrowded emergency wards and closed hospitals. But the controversy over health care that has come to dominate the campaign for the November 27 federal elections has nothing to do with addressing these concerns. Rather it represents an attempt by the ruling class to work out, behind the backs of the Canadian people, a plan to further subordinate health care, and social policy in general, to its drive for profits.

The first thing that needs be said is that *all* five major parties are complicit in the spending cuts which have devastated Medicare. Each, however, is trying to shift the blame onto its electoral opponents.

In the English-language leaders' debate, for example, Tory leader Joe Clark harshly attacked the Chretien Liberal government for gutting Medicare. Yet it was the Tories who, under former Prime Minister Brian Mulroney, first implemented massive public spending cuts in the name of "fighting the deficit."

Clark was joined in his attacks on the Liberals by none other than the leader of the Canadian Alliance, a party that proclaims that it wants to implement at the federal level the policies of the Alberta and Ontario Tory provincial governments. More than any other governments in Canada, the Alberta and Ontario Tory regimes have implemented savage public and social service cuts so as to reduce the taxes of the well-to-do.

Alexa McDonough, leader of the social-democratic New Democratic Party (NDP), has been the shrillest in denouncing the federal Liberals, arguing that two-tier health care—i.e., privileged access to quality health care for those able to pay—already exists for all intents and purposes. But McDonough ignored the record of the NDP government in Saskatchewan. Not only did the Saskatchewan NDP government close more than 50 rural hospitals, so it could become the first province in the country to eliminate its deficit, it has mimicked its Alberta Tory neighbor in placing tax cuts ahead of increased health care spending.

Undoubtedly, the federal NDP's call for a massive increase in health care funding is attractive to many voters. But it represents no real alternative or challenge to the present system as it is entirely dependent on the continued existence of huge budget surpluses—surpluses that will quickly disappear with the first downturn in the business cycle, to say nothing of a major financial crisis.

The separatist Bloc Québécois (BQ) has joined in the condemnations of the Liberal cuts to health care, but mainly points to them as an example of how Ottawa "bullies" the provinces. The BQ fears a thoroughgoing debate on the health care crisis, because it doesn't want working people in Quebec to be reminded of the record of its provincial alter ego, the Parti Québécois (PQ). First elected in 1994, Quebec's PQ provincial government has presided over a \$2 billion-per-year cut in Quebec's health budget, the elimination of 15,000 health care jobs, and the closure of scores of health care facilities.

Prime Minister Jean Chrétien has defended his government's record by

saying that the financial mess left by the previous Tory government left the Liberals no choice but to impose massive cuts and by claiming that, under an agreement reached between Ottawa and the provinces in September, Ottawa is making the "largest single investment in health care in our country's history."

In fact, the prime minister is playing fast and loose with the figures, for his largest investment in history—some \$22 billion over the next five years—is less than what the federal Liberals cut from health care spending between 1995 and the current fiscal year.

Under the federal-provincial health accord, the Canada Health and Social Transfer will rise next year to \$18.3 billion. This is less than the \$18.7 billion that Ottawa transferred in 1994 to the provinces (which are constitutionally responsible for health care) and, moreover, does not take into account either inflation or population growth.

But even if one were willing to forget the past, there remains the central premise of the 2000 federal elections, which all contending parties (except the federal NDP) and governments of all levels and political stripes (including the NDP) have adhered to: that the bulk of the enormous projected budget surpluses should go, not to health care (or education, or other vitally needed services) but to tax cuts that primarily benefit the rich and the super-rich.

The most controversial issue in the health care debate has been the growth of private health care services.

It is well known that the Canadian Alliance wants to expand for-profit medicine, if not establish a full, parallel private health care system. But it has shied away from forthrightly stating its position for fear of massive public opposition. However, after several leading Canadian Alliance officials strayed from the party's public position and voiced their support for increased private health care, the Liberals took the offensive, claiming the reelection of the Chretien Liberals is the only way to thwart the Alliance's plans for two-tier health care, under which the wealthy would enjoy the best quality health care while the majority would be forced to make do with a crumbling public system.

Alliance leader Stockwell Day angrily denied the Liberal charges, proclaimed the Alliance's support for Medicare, and demanded the Liberals pull a television ad that accused the Alliance of promoting "US-style private health care."

Both parties are involved in electoral posturing and, if the truth be told, have a secret agenda for health care. Neither can come clean as to its plans for Medicare or the differences between them.

Within ruling class circles there is a general consensus that Medicare as currently organized and conceived is not working. However, the concern of big business and their political representatives is not that patients must wait weeks, even months, for treatment of life-threatening conditions, but that the public health care system is consuming too great a share of the state's financial resources.

Real policy differences do exist between the Liberals and the Alliance, but they are over how to make the provision of health care more cost-

efficient for the state and business, while increasing profit-making opportunities in what is one of the fastest growing sectors of the global economy.

The Alliance's health care manifesto says an Alliance government would "ensure the future of health care" by maintaining the existing principles of the Canada Health Act (the legislation that established national Medicare standards) and adding a new one that "guarantees federal funding" through a transfer of taxation power to the provinces. Then, in a key passage, it says that an Alliance government would "replace federal-provincial confrontation with a more co-operative approach." This is code language for giving a green light to Alberta, Quebec, Ontario and other provinces to continue with their "experiments" in giving private companies a greater role in the provision of health care and in using "market mechanisms" in allotting health care funding and resources.

Stockwell Day, it should be remembered, was finance minister in the Tory Alberta government when it drafted Bill 11. This bill expands the range of operations, treatments and procedures that can be legally provided by private hospitals, some of them paid for by the government, with others, so-called "enhanced services," paid for directly by patients.

As Alliance MP and avowed two-tier fan Keith Martin told the *Ottawa Citizen* recently, the party just doesn't want to state publicly that it supports for-profit medicine, because "It might be difficult to sell politically."

The Liberals are no less duplicitous. A rapid sketch of the actual structure of Canada's health care spending shows that the Liberals' hoopla over the Alliance wanting to "introduce" a "two-tier" system is entirely demagogic.

Total health care expenditures in Canada were some \$86 billion in 1999. About 70 percent of this came from government and most of it was paid to hospitals and physicians. The private share of health care expenditures accounted for the remaining 30 percent of the total (as compared with 56 percent in the US), and was spent on such items such as drugs, dental care, home care and long-term care.

As the *National Post* has concluded, "It is not a question of a new, two-tier system, but actually a multi-tier system that has been operating for years with the Liberal government's full knowledge and approval."

In considering the Liberals' claim to be opposed to "two-tier" health care, it should be remembered that it is their massive cuts in health care spending that have brought the public system to the point of collapse, and thus created the demand for a parallel for-profit system available to those with the means to pay for it.

Furthermore, the Liberal government knew for many years, without issuing the slightest protest, that provinces were making deals with "health entrepreneurs." It is only during the current election campaign that the Liberals have made an uproar about the existence in Quebec and Alberta of private clinics offering diagnostic services such as Magnetic Resonance Imagery (MRIs) for fees running in the hundreds of dollars.

Yet in 1996, Ottawa endorsed an Alberta government document titled the *Twelve Provincial Principles Underlying the Alberta Health Care System*. The flavor of this document is given by point 4: "Ensure a strong role for the private sector in health care, both within and outside the publicly funded systems."

It should also be noted that, despite making much noise over Alberta's passing of Bill 11, the Liberals ended up supporting it. They voted in the House of Commons, along with the Conservatives and the Alliance, to defeat an NDP motion that would have made Bill 11 illegal by banning the public funding of for-profit private hospitals.

So, if the Liberals are not opponents of private health care as they have claimed throughout the election campaign, what are their real differences with the Alliance's program?

A first point of dispute is over the respective role of the federal and provincial levels of government in managing the health-care system,

including the growth of the private for-profit sector. The Liberals represent that section of the ruling class which favors the federal state maintaining an important role in health care, while the Alliance believes provincial control is the quickest road to achieving its objective of transforming Medicare from a quality public service into a system of last resort.

Second, as Prime Minister Jean Chrétien himself made clear during the leaders' debate, the Liberals and important sections of the ruling class see the public health care system as a competitive advantage over their US rivals. Corporations setting up business in Canada can rely on the public system to provide health coverage to their employees, instead of having to pay for private health insurance out of their own pockets.

Finally, and perhaps more importantly, as they have demonstrated on every other socioeconomic issue, the Liberals' main pitch to big business is that they can be trusted to carry out its full agenda without provoking major social upheavals.

Whereas the Alliance has debated whether to openly argue for the lifting of all legal barriers on for-profit health care (even if Day eventually refrained from making such a call in the course of the election campaign), the Liberals are content to carry out, in the name of "defending the Canada Health Act," a campaign of "passive privatization," as it was put by the newly elected president of the Canadian Medical Association, Peter Barrett.

The Canada Health Act was passed over 15 years ago, at a time when health care was essentially conceived of as the practice of physicians in an hospital context. The list of covered services within this framework was not even defined: it was left to the discretion of provincial governments.

Furthermore, there was no provision for services such as drug treatment administered outside a hospital or home care, practices which have become, thanks in part to technological advances, an integral part of the arsenal of modern medicine.

By combining funding cuts with a stubborn "defense" of the Canada Health Act (i.e., a refusal to broaden it to cover drugs and home care, among other things) the Liberals are making sure that the public health system is unable to cope with the growing and varied needs of the Canadian population, and private for-profit health-care is allowed to enter the system through the back door.

A review of the health care debate wouldn't be complete without an examination of how the media have interpreted this debate. Not involved in the race for votes, the corporate media need not hide the views of those for whom it speaks, and can at times be quite open about them.

Welcoming Canadian Alliance co-chairman Jason Kenney's call for increased private clinics, the *Globe & Mail*, the traditional mouthpiece of Canada's financial elite, had this to say: "At least the issue has been yanked to the front of the campaign. Canadians want a better idea of who would do what for, and to, the overburdened system we rely on. More, please."

An even more candid, if not brutal, assessment of the health care debate was provided by Conrad Black's *National Post*, which called for "political leadership which is prepared to speak plainly what Messrs. Chrétien, Day and Clark acknowledge by their actions but deny in their speeches—that the single-tier health care system is a utopian fraud, and that its sclerosis will get worse rather than better unless and until it is treated imaginatively with a judicious dose of private sector medicine."

As always, no explanation is offered by this rabid promoter of free-market capitalism, and unofficial organ of the ultra-right Canadian Alliance, as to why for-profit health-care is a superior model. It doesn't bother to consider why the US, with the most highly privatized health system in the world, spends on a per capita basis almost double what Canada does, while still leaving 40 million Americans with no health coverage at all.

And can any lessons be learned from the experience of Australia, where

for-profit health care has been allowed alongside the public system? This is a move that has:

- * not eased pressure on the public system, and in fact made waiting lists in the public hospitals longer;

- * actually cost more money, forcing the federal government in Australia to subsidize the private health industry to the tune of \$2.2 billion a year just to keep it alive.

In the health care debate that is raging during the current election campaign, working people would look in vain for a party ready to tell the truth about the real positions of Jean Chrétien, Stockwell Day and the other contenders, and to counterpose to their common agenda of tax cuts and health care privatization a program of massive funding and expansion of Medicare. Such a program could only be implemented as part of a complete restructuring of economic life by working people and with the aim of placing the needs of the majority before the profit interests of a few. The building of a political party of the working class that will lead such a struggle is the urgent task of the day.

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