

Canada's governments exploit health care crisis of their own making to press for privatization

Dylan Lubao
3 February 2023

Governments across Canada are exploiting the collapse of the public health care system to open the floodgates for its privatization. Almost four decades of brutal spending cuts by provincial and federal governments, followed by three years of the disastrous profits-before-lives response to the COVID-19 pandemic, have left Medicare on life support.

Ontario Tory Premier Doug Ford announced on January 16 that for-profit clinics will permanently be handed 50 percent of surgical procedures. The list will initially include minor surgeries as well as diagnostic procedures, before expanding to knee and hip replacement surgeries by 2024.

Ford claimed that his government was addressing Ontario's colossal backlog of surgeries, which had ballooned to one million by mid-2022. This backlog has festered for years, but worsened after provincial governments across the country dropped all pandemic health measures last spring in response to the demands of big business and its instrumentalization of the far-right "Freedom" Convoy to batter down public opposition.

Successive waves of the COVID-19 pandemic have combined with other epidemic diseases like respiratory syncytial virus and the flu to create a "triple-demic," overwhelming hospitals and pushing more and more scheduled procedures onto waiting lists.

Ford did not provide a shred of evidence that for-profit clinics would reverse the decline in public health, because no such evidence exists. A quick glance at the United States, where the private sector plays the dominant role, shows that health care run for profit has been a total catastrophe for the health and lives of ordinary working people.

Provincial and territorial governments from coast to coast are currently developing or discussing similar privatization plans. They cynically claim that public health care systems, which they have intentionally underfunded for many years, simply cannot cope with the present level of illness and death.

In Quebec, the hard-right "Quebec First" Coalition Avenir Québec government announced a health care "reform" last year that will increase the number of surgeries performed in private clinics from 14 to 20 percent.

British Columbia's supposedly "progressive" New

Democratic Party government has handed \$393 million worth of contracts to private clinics over the past six years, mainly for less complex and more profitable procedures.

Last spring, Alberta's former United Conservative Party Premier Jason Kenney announced the Alberta Surgical Initiative, which will double the number of medical procedures done by private clinics, funnelling \$133 million over three years to for-profit medicine.

Ford and broad sections of the corporate-controlled media are making the absurd claim that his latest proposal does not amount to privatization because the government will continue to fund the health services. Yet it is obvious that the increased use of private clinics will encourage an exodus of personnel to the private sector, enable private clinics to charge hefty ancillary fees, thereby further reducing the available funds for public sector health care, and initiate an ever-expanding role for private providers of health care.

At the federal level, Liberal Prime Minister Justin Trudeau, who is promoted in establishment circles as Ford's "progressive" and more sophisticated counterpart, welcomed the Ford government's initiative. Refusing to utter a single word of criticism, the Prime Minister applauded the privatization scheme as an "innovation" that would help lessen the strain on an overburdened health care system. What Trudeau did not mention was that his government has done just as much to destroy Medicare as Doug Ford. Since taking office in 2015, the Liberals have kept Canada Health Transfer payments to the provinces far below inflation, population growth, and the needs of an aging society.

In response to demands by provincial governments for more federal health care funding, Trudeau stated that any money would be contingent on "accountability" and "results." These are code words for more savage cost-cutting. Trudeau and the premiers are scheduled to meet next month to plan the next steps of their slash and burn campaign. The provincial demands are themselves hypocritical in the extreme, given that governments like Ford's are on record for withholding billions in COVID-19 emergency funds given to them by the federal government.

For their part, the Liberals have overseen a callous response to the pandemic that prioritized the protection of corporate profits over human lives. Officially, over 50,000 Canadians have needlessly died of COVID-19, but leading epidemiologists estimate the true number of deaths to be closer to 70,000.

The Liberals grudgingly introduced, then promptly withdrew, the measly Canada Emergency Response Benefit, capped at \$2,000 per month, that gave workers a temporary financial lifeline. At the same time, they showered the country's largest businesses with a \$650 billion bailout beginning in March 2020.

The NDP is just as committed to the profits of the banks and corporations as the Conservatives and Liberals. NDP leader Jagmeet Singh has vowed to keep the minority Liberals in power until 2025 through a confidence and supply agreement, even as the Liberals oversee mass death and the gutting of Medicare. Singh recently demagogically attacked the Liberals for "doing nothing" to stop health care privatization, before making clear that the issue would not result in the confidence-and-supply deal between the NDP and Liberals being broken.

To the billionaires and millionaires who dictate all social and political decisions, the public funds allocated for health care are a drain on their wealth accumulation, which their political lackeys have vastly accelerated by implementing tax cuts and corporate subsidies. Most importantly, they will not tolerate any health measures like a few extra sick days or mandatory isolation protocols that remove workers from the process of generating wealth for these social parasites.

The private sector already gobbles up 30 percent of health care spending in Canada. It delivers a growing number of services, from diagnostics like MRIs and CT scans to minor surgeries, ambulance services, and telehealth. Medicare does not cover dental and prescription eye care, so the vast majority of the population pays for these expenses out of pocket or desperately hopes that their employer-sponsored health insurance provides coverage.

A historic shortage of nurses and other health care workers has forced hospitals to pay hundreds of millions to for-profit agencies, whose nurses, for the time being, earn considerably more than their public sector counterparts. In many cases, agency nurses are filling the same job vacancies in public hospitals that they previously left because of burnout, low pay, and punishing schedules, including forced overtime.

The delivery of public health care falls under provincial jurisdiction. It was established, in practice, through two pieces of federal legislation in 1957 and 1968, but the federal government limited its role to funding the system. Medicare marked the last gasp of liberal social reform, and was only granted in the face of militant struggles of the working class in the post-war era.

From a roughly 50-50 split of federal and provincial funding for Medicare in the 1960s, consecutive federal governments

quickly scaled back their contributions. The federal share of Medicare funding today stands at a mere 22 percent. Provincial governments worsened this deficit by slashing health care and other public spending to grant tax cuts to corporations and the wealthy.

The rollback of federal funding to public health care was kicked off in 1976 by former Liberal Prime Minister Pierre Trudeau, the current prime minister's father. Major cuts were carried out by the Liberal governments of Jean Chrétien and Paul Martin, and continued by the Conservative government of Stephen Harper.

After this decades-long onslaught, the pandemic has compounded the disastrous conditions in Canada's health care system. Workers are intimately familiar with overcrowded hospital waiting rooms where patients regularly die before even seeing a doctor. Nearly five million Canadians do not have a family doctor. Hundreds of thousands of people languish on years-long waiting lists for routine procedures.

The privatization of Medicare is a political third rail that every major party knows is impossible to accomplish all at once. Survey after survey shows an overwhelming majority of Canadians oppose privatization. A critical role in preventing this widespread popular sentiment from finding any expression is played by the trade unions in the health sector, which have systematically suppressed all struggles by health care workers for improvements to wages and working conditions for decades. The unions more broadly are a pillar of the anti-worker Liberal/NDP/union alliance, which the ruling elite is using to impose its policies of war abroad, and public spending cuts and attacks on workers' rights at home. This includes the gutting of public health care.

Calls for privatization are growing as the ruling class intensifies its onslaught on working people. The bill has come due for the massive federal pandemic bailout of the banks and corporations, as well as non-stop financial speculation on Bay Street. The ruling elite is determined to make working people pay for the nine-year, 70 percent hike in military spending the Liberals committed to in 2017, and the \$1.1 billion in weaponry they have so far supplied to Ukraine in support of the US-NATO war on Russia.

A political fight against capitalism is urgently needed to prevent the total destruction of Medicare. Workers must reject the capitalists' view of health care as something to be bled dry and ultimately privatized for profit. Free, high-quality health care is a fundamental human right, but it cannot be achieved under capitalism. It can only be won through the fight for socialism and the establishment of a workers' government.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact