

FACT SHEET

Health care

What They Promised

"Total spending will be reduced by 20% in three years without touching a penny of health care spending."

– *The Common Sense Revolution*, page 3

"Not only is this year's projected health care spending of \$18.7 billion an increase of more than \$1 billion from 1995–96, it is more than any Ontario government has ever spent on health care."

– Elizabeth Witmer, *Ministry of Health 1998–99 Business Plan*, June 1998

What They Delivered

The impossible promise of spending more on health care while cutting taxes really means that:

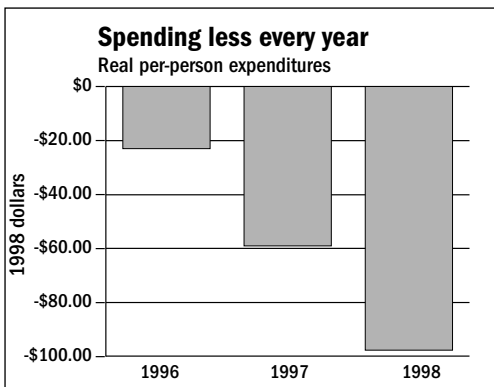
- 35 hospitals have been closed;
- emergency rooms regularly stop accepting patients;
- expectant mothers are shipped around the province in search of beds;
- cancer patients are sent to the U.S. while more than 2,000 people suffer on waiting lists; and
- ordinary citizens have lost confidence in our once-solid health care system.

The Harris government has actually cut nearly \$2 billion from health care spending (accounting for inflation and population growth). **Health care expenditures are at their lowest level ever**, as the government is now spending \$97.60 less per person than before Mike Harris came to power.

A two-tier system is emerging. **Annual private spending on health care by Ontarians has increased by more than \$1 billion.** Those who can afford it are buying more services to make up for cuts. And those who can't, are doing without.

What We Propose

- Return overall funding levels to their 1995–96 real per-capita levels;



- Invest \$300 million in residential care and \$100 million in community care to expand long-term care for seniors; and
- Add federal funding for health care on top of restored provincial funding.

.....
For a budget summary,
turn this page over.



.....

What does the Ontario Alternative Budget do?

Our budget does three things:

- One: It discredits the Harris government's claim that its tax cuts and fiscal policies have produced substantial gains for middle-income earners;
- Two: It documents the devastating impact of the Harris government policies on Ontarians; and
- Three: It proposes an alternative budget that would restore public services to their real per-capita 1995-96 level while eliminating the deficit by 2001-2002.

Problems

Contrary to government claims,

- the reductions in income taxes of \$738 for the average family **will have no positive impact**, because provincial cuts in funding have led to increased user fees and property taxes, and other costs of at least \$766. These new costs **entirely wipe out the tax cut** for three-quarters of Ontario's families.
- if there had never been a Harris government (no public spending cuts; no tax cuts), **the budget would have been balanced in the 1998-99 fiscal year** anyway, through increased revenues. We would be discussing instead how to spend the surplus, not what to do about damaged public services.
- **nearly \$2 billion has been cut from health care** since Harris was elected, when inflation and population growth are taken into account.
- **Harris government policies actually have held back job growth in Ontario.** Ontario's job performance is entirely attributable to the lower Canadian dollar and growth in the U.S. economy.
- on a comparable per-capita basis, **\$570 per child has been removed from the public school system**, totalling \$1.2 billion.

Solutions

The Ontario Alternative Budget proposes to

- **increase revenues in order to restore public services and balance the budget by 2000-2001.** We can do this by restoring the tax cut that was given to the highest-income 20% of taxpayers, returning tobacco taxes to pre-1994 levels, and eliminating pointless tax breaks for business.

The Choice

The Ontario Alternative Budget shows that

- **Ontario's deficit and public service crisis is not inevitable** but the result of political choices made by a government that is not interested in the greater public good.
- **it is possible to reverse the damage caused by the Harris government and repair our public services** within a responsible taxation and fiscal framework.

Need more information? Contact us:

Ross McClellan, Legislative and Political Education Director

The Ontario Federation of Labour

15 Gervais Drive, Suite 202, Toronto, Ontario M3C 1Y8 (416) 441-2731

Web sites: www.efto.on.ca www.recoverontario.org