

CHRIS BUCKLEY
President
PATTY COATES
Secretary-Treasurer
AHMAD GAIED
Executive Vice-President



**ONTARIO
FEDERATION OF
LABOUR**

April 2, 2019

Standing Committee on Social Policy
Ontario Legislature
111 Wellesley St W
Toronto ON M7A 1A2

Dear Committee Members,

Health care is a right – not a privilege.

This unwavering belief is a part of who we are as Canadians. It reflects our shared value of equality, where access to care is based on our health needs – not our ability to pay. Health care should be there when people need it.

The Ford government, however, has decided – without meaningful public consultation – to dismantle this belief with one piece of legislation.

Bill 74, *The People's Health Care Act*, makes one of the biggest structural changes in Ontario's health history, providing the government with extraordinary powers to privatize our health care services; to order mega-mergers, amalgamations, and transfers of important health care services; to strip away the last remnants of local control over health care services; and to undermine workers' rights.

The Ontario Federation of Labour, which represents one million workers across this province, demands that this government withdraw Bill 74. It is also important to note that we endorse the recommendations and amendments of the Ontario Health Coalition.

Ontario has excellent health care. There is, however, a lack of capacity to meet the demands of an aging population and an increasing number of individuals with complex health needs.

Instead of increasing access to care and investing in our health care system, this government has decided to restructure and privatize it.

The reality is that the Ontario government already spends the lowest amount per person on health care in the entire country.¹ Expectedly, Ontario funds its hospitals at the lowest rate in Canada. As a result, Ontario has the fewest hospital beds per person; the highest rate of hospital readmissions; and the lowest hospital nursing hours per patient.²

¹ 2019. Financial Accountability Office of Ontario. Comparing Ontario's Fiscal Position with Other Provinces.

² 2016. Ontario Health Coalition. Ontario's Health Care System.

The Harris government set Ontario's health care system on this path.

Through the largest-scale amalgamation and closure of hospitals in Canada's history, the government attempted to cut nearly \$1 billion from hospital operating budgets. According to the Auditor General, the costs associated with restructuring were \$3.9 billion – \$1.8 billion over budget. As nurses and other health care staff were laid off and local services were shut down, billions of dollars were taken away from frontline care and patient support services for a failed business case. Because of the resulting extraordinary waits for hospital admissions and extraordinary levels of hospital overcrowding, the Harris government then spent hundreds of millions of dollars re-opening some of the needed beds and recruiting staff to restore stability.³ The high costs and poor care outcomes of restructuring and merging were never recouped. Such actions are extremely expensive, take vital resources away from care, and lead to the centralization of services that many residents cannot access.

The Ford government, however, is following similar footsteps with Bill 74.

Despite the under capacity and underfunded state of our health care system, this Bill fails to increase staffing, create more spaces, or facilitate greater access to care. Instead, it repositions the focus from care to restructuring – carving out an enhanced role for the corporate for-profit sector.

Specifically, Bill 74 dissolves 20 specialized and regional health care providers with significantly diverse mandates to create a super health agency, Ontario Health. The Board of Directors – who are appointed by the government and likely to share its pro-privatization agenda – have immense powers to order the wholesale restructure of our local hospitals, long-term care, home care, community care, mental health care, health clinics, and the health care system at large. It is important to understand that restructuring expands beyond service coordination to also include mergers, amalgamations, transfers of all or part of a service, closures of a service, and entire closures of local health services.

Withdraw Bill 74.

Instead of investing in the people of this province, this government has decided to limit access to health care services for the vulnerable.

The legislation also provides greater access to for-profit parties to receive public health care dollars. In addition to health service providers (HSPs), integrated care delivery systems (ICDSs) and "other persons or entities", which may operate for-profit, can now receive health care funding. Furthermore, Bill 74 allows for an expanded ability to transfer services in a manner that results in individuals paying for those services, particularly through ICDSs. Unsurprisingly, private profit-gearred interests run counter to the interests and needs of patients. Prioritizing care based on ability to pay, instead of medical need, will only exacerbate hallway medicine and wait times for everyone – except for the wealthiest patients.

We know that privatization leads to a reduced role for government and diminishes its ability to uphold the public good (e.g., making essential services affordable, accessible, and available to everyone). Government has the responsibility to prioritize the interests of the collective and the vulnerable. Once that responsibility has been renounced, it becomes increasingly difficult to ensure that those values are reflected in decision-making. Conversely, by its very nature, the private sector seeks to maximize profits and must therefore prioritize the interests of a select few over that of the collective.

³ 2000. Ontario Auditor General. Annual Report.

Going forward, care in different rural and small communities will be further jeopardized. Bill 74 removes any last remaining relics of local control. Predictably, for-profit health care providers will gravitate towards larger cities, where greater profit can be earned. This further exacerbates the access to care gap. Over the years, small towns have effectively lost most, if not all, of their local hospitals and instead of rebuilding capacity, this Bill entrenches the inequality. Ultimately, the needs of rural and small communities are best determined by those communities – not by a super agency that will be administered from Toronto.

Withdraw Bill 74.

Instead of putting workers first, this government has decided to jeopardize their jobs and their bargaining rights.

At its core, Bill 74 allows the transfer of all, or part of, 20 existing health care agencies into a singular new agency. In addition, these restructuring powers cover more than 1,800 health service providers including public hospitals, long term care, home care, community mental health and addiction services, community health care, palliative care, community health centres, aboriginal health centres, nurse practitioner clinics, and non-profit family health teams. There are hundreds of thousands of workers employed in those 1,800 health service providers.

The extraordinary powers to restructure all of these services will almost certainly lead to upheaval in the labour market: the loss and instability of jobs, movement of services and jobs from one location to another as well as fewer jobs and/or wage freezes. It is of paramount importance that the work of these individuals not be transferred to the private for-profit sector.

Bill 74 may also result in the loss of bargaining rights – not only for frontline health care workers like nurses and laboratory workers, but also for procurement and supply chain workers like those that deliver hospital services such as laundry, food, and sterilization. This government must protect workers and respect freely bargained collective agreements.

As mentioned, the restructuring of our health care system can also mean fewer jobs or wage freezes for workers in these sectors. Given that the majority are women workers, and whose work is already known to be undervalued, the government missed an opportunity to meaningfully address pay equity with this Bill.

Bill 74 is also concerning for workers because it is unclear which labour relations regime (e.g., *Labour Relations Act*, *Public Sector Labour Relations Transition Act*) applies to resolve issues of successorship that will inevitably arise from ICDS designations, self-integrations, integrations achieved through funding changes, and transfers. This Bill also overrides layoff, termination, and severance rights that may otherwise apply when employees are transferred from one employer to another.

Ontario's health care system is built and sustained by public care workers. This government needs to recognize that.

Withdraw Bill 74.

Instead of being accountable to the people of this province, this government has decided to keep people in the dark.

Ontario Health will exist outside the Ontario Public Service and will therefore not be subject to the mechanisms inherent in the public service, such as ensuring public accountability, independence from political influence, freedom of information, protections against conflicts of interest, and job security. In Bill 74, there are very few opportunities for public input. It is also important to highlight that there was no public consultation prior to this Bill, and there is very limited access to comment on the Bill before it becomes law. This is our health care system; policy changes of this magnitude will have far-reaching implications on our health care system for generations to come. Ontarians, from across the province, deserve to be heard.

Withdraw Bill 74.

All Ontarians deserve the highest standard of health care. This means that our health care system is well funded, fully inclusive, affordable, and delivered by the public sector.

Sincerely,



BUCKLEY CHRIS
President



PATTY COATES
Secretary-Treasurer



AHMAD GAIED
Executive Vice-President

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