



# Information

## Recent Federal Health Care Investments

- Federal support for health care has grown substantially in recent years.
- In September 2000, \$23.4 billion of new federal investments over five years was provided to support agreements by First Ministers on Health Renewal and Early Childhood Development (ECD).
- The 2003 Accord on Health Care Renewal built on the framework set out in the 2000 Accord. Budget 2004 confirmed an additional \$2 billion for the provinces and territories for health, bringing the funding provided under the 2003 Accord to \$36.8 billion over five years.
- Increased federal funding is providing predictable and growing support for health care, including reforms in targeted areas that are key to ensuring timely access to quality health services for all Canadians: primary health care, home care and catastrophic drug coverage, as outlined in the 2003 Accord.
- As a result of the 2003 Accord, federal cash transfers for health and other social programs are growing at an average rate of 8 per cent annually over the five-year period of the Accord (2003-04 to 2007-08).
- This is substantially higher than the expected growth of federal government revenues over the same period, and is also higher than expected growth in health expenditures.
- In fact, with health spending at 10 percent of GDP, Canada ranks as the fourth biggest spender among the countries in the OECD.
- Protecting Canada's publicly funded health care system will take more than just money – Canadians need their governments to work together on reforms to the health system and on ensuring its long-term sustainability for future generations.
- The Prime Minister will hold a First Ministers' Meeting to discuss the sustainability of Canada's health care system, starting September 13<sup>th</sup>, 2004.
- For more information about health care funding in Canada, please visit the Finance Canada web-site at: [http://www.fin.gc.ca/facts/fshc6\\_e.html](http://www.fin.gc.ca/facts/fshc6_e.html).



<b>Legislated Framework of Federal Transfers Supporting Health and Other Social Programs</b>								
(millions of dollars)								
	←		Legislated Framework			→		
	2000-01	2001-02	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Total cash transfers<sup>1</sup></b>	15,500	18,300	19,100	21,825	24,050	26,225	26,400	28,050
				↑	Average annual growth rate of total cash support: 8%			↑
<b>Health cash transfers<sup>2</sup></b>			11,840	13,900	15,770	17,810	17,900	19,250
				↑	Average annual growth rate of health cash support: 10.2%			↑
				↑	Average annual growth rate of GDP: 4.9%			↑

<sup>1</sup> Includes cash transfers provided under the Canada Health and Social Transfer (CHST) up to 2003-04 and under the Canada Health Transfer (CHT) and the Canada Social Transfer (CST) for 2004-05 and beyond; also includes CHST supplements based on notional allocation; and the Health Reform Transfer (HRT).

<sup>2</sup> 2002-03 and 2003-04 amounts are based on the notional share of the CHST allocated to health. Includes funding under the CHT, the portion of the 2003 CHST cash supplement allocated to health, the 2004 cash supplement for health and the HRT.