



# HealthCareCAN Submission 2021 Federal Budget Consultation

February 19, 2021

## HealthCareCAN recommends that the federal government:

- 1 > Recognize academic health sciences centres as independent, stand-alone entities and drivers of economic growth and allow them to compete directly and on equal footing with other sectors for federal funding.
- 2 > Invest in health research to the level equivalent to two per cent of public spending on health (\$3.7 billion), allocated equally between health research (\$1.85 billion) and knowledge translation for health innovation (\$1.85 billion).
- 3 > Implement the recommendations related to the health and biosciences sector outlined in the Industry Strategy Council's report, *Restart, recover and reimagine prosperity for all Canadians: An ambitious growth plan for building a digital, sustainable and innovative economy*.
- 4 > Ensure proper mental health supports and programs are in place to assist healthcare workers now and once the pandemic is over.
- 5 > Working with stakeholders, address the factors that contribute to increased stress, anxiety, depression and burnout in healthcare workers.
- 6 > Implement a national health human resources strategy to tackle the shortage of health professionals, create a more inclusive and resilient health system, and deliver on your government's promise that every Canadian have access to a family doctor or primary health care team.
- 7 > Increase health transfers to provinces and territories and, at minimum, maintain the federal share of funding over time.
- 8 > To modernize Canada's health infrastructure, over the next five years increase capital investments in healthcare to a minimum of 0.6 per cent of GDP to better align with Canada's OECD comparators.



## Introduction

As COVID-19 continues to impact the lives of Canadians, the attention on healthcare has never been greater. The virus exposed the cracks in our health system and galvanized Canadians to demand better from their governments. This pandemic offers an opportunity to rethink healthcare and how it is delivered – and Canada cannot afford to squander it. There is a real risk that once the pandemic is over, people and governments will quickly forget how pivotal healthcare and health research are to our success as a nation and return to their pre-pandemic practice of ignoring and underfunding the health system.

Equally as important as fixing the issues in Canada's health system is the need to recognize the power of the health and biosciences sector as a driver of innovation and the economy that can help Canada build back better.

COVID-19 has made clear the need for a more resilient and agile health system, one that has the expertise, resources and infrastructure to respond to emergencies and pandemics. As Canada emerges from the pandemic, the federal government must harness the momentum that has formed during this period to transform our health system and tap into the full potential of the health and biosciences sector as it maps out Canada's recovery plan.



## Tap into the innovative and economic power of the health and biosciences sector

The health and biosciences sector contributes \$3 billion annually to Canada's economy, employs one in eight Canadians and represents 11 per cent of Canada's annual GDP. The sector also creates new small- and medium-sized enterprises, produces the next generation of Highly Qualified Personnel (HQP) and contributes to building a knowledge-based economy that attracts top talent and global investments.

The Industry Strategy Council, which was convened in June 2020 to better understand COVID-19's impact on the economy and industry, identifies the health and biosciences sector as a key sector for investment in its report, *Restart, recover and reimagine prosperity for all Canadians: An ambitious growth plan for building a digital, sustainable and innovative economy*. The report highlights the success the health and biosciences sector has seen in recent years and recommends investments over the next 12 to 18 months in the sector – a sector this report, as well as the Advisory Council on Economic Growth, identifies as one of Canada's areas of strength. The Industry Council notes that "Canada boasts health/bio-

sciences companies with the scientific edge to become global anchor firms in biotechnology”, but that Canada has yet to leverage the opportunities that exist through “large scale value-added production”.<sup>1</sup> Overall, the report echoes HealthCareCAN’s long-standing position that the sector’s power as an economic engine must be strengthened through investments and the expansion and modernization of key government programs that better support research and cross-collaboration with the private sector.

HealthCareCAN’s members are the academic health sciences centres, specifically healthcare delivery organizations and research institutes, that are at the centre of the health and biosciences ecosystem, working with researchers, universities, patients, governments and industry as innovation hubs that keep Canadian populations healthy and productive. Despite their pivotal role, these organizations do not have equal access to federal research and innovation funding. In many cases, academic health sciences centres are required to apply for federal funding through their affiliated university, placing them at a disadvantage since the university, which has its own research priorities, ultimately decides which projects will be put forward for funding consideration. As a result, the full potential of academic health sciences centres, and the beneficial impact on the economy of the vital work they do, is not being realized. If invested in correctly and at appropriate levels, health research and the health and biosciences sector more broadly will ensure a competitive advantage for Canada, allowing us to attract and retain top talent and secure global investments.

***Recommendation 1: Recognize academic health sciences centres as independent, stand-alone entities and drivers of economic growth and allow them to compete directly and on equal footing with other sectors for federal funding. This could be achieved through a change to the current policy.***

***Recommendation 2: Invest in health research to the level equivalent to two per cent of public spending on health (\$3.7 billion), allocated equally between health research (\$1.85 billion) and knowledge translation for health innovation (\$1.85 billion).***

***Recommendation 3: Implement the recommendations related to the health and biosciences sector – including investing in domestic biomanufacturing – outlined in the Industry Strategy Council’s report, Restart, recover and reimagine prosperity for all Canadians: An ambitious growth plan for building a digital, sustainable and innovative economy.***

## Support healthcare workers and build capacity in the health system

Over the past year, the resiliency of our health system and our healthcare workers has been tested like never before. Healthcare workers have been working all out since last March, hospitals across the country are operating at historic levels of overcapacity, and our long-term care homes are struggling to keep the virus contained and provide basic care to residents. We have placed a large part of the burden of this pandemic on our healthcare workers and while they have borne the weight, they have done so to their own detriment.

In recent months, healthcare workers have been speaking out about the increased levels of stress, anxiety, depression and burnout they are dealing with. Studies from around the world, including here in Canada, back this up, showing that these issues were concerns prior to the pandemic and are being exacerbated by it.<sup>2</sup> HealthCareCAN members, who operate hospitals, research institutes, long-term care organizations and health authorities, are worried about the mental health and wellbeing of their staff, with many

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1. Industry Strategy Council. (2020). *Restart, recover and reimagine prosperity for all Canadians: An ambitious growth plan for building a digital, sustainable and innovative economy*. Retrieved from: [https://www.ic.gc.ca/eic/site/062.nsf/vwapj/00118a\\_en.pdf/\\$file/00118a\\_en.pdf](https://www.ic.gc.ca/eic/site/062.nsf/vwapj/00118a_en.pdf/$file/00118a_en.pdf).

2. Brophy, J. T., Keith, M. M., Hurley, M., & McArthur, J. E. (2021). *Sacrificed: Ontario Healthcare Workers in the Time of COVID-19*. NEW SOLUTIONS: A Journal of Environmental and Occupational Health Policy, 30(4), 267–281. Retrieved from: <https://doi.org/10.1177/1048291120974358>; Statistics Canada. (2021). Mental health among health care workers in Canada during the COVID-19 pandemic. Retrieved from: <https://www150.statcan.gc.ca/n1/daily-quotidien/210202/dq210202a-eng.htm>.

predicting that the final wave of this pandemic will be a mental health crisis impacting our health workforce. The toll COVID-19 is taking on healthcare workers is substantial and will endure long after the pandemic is behind us. Canada must address this issue now and plan for how it will continue to support healthcare workers once the pandemic is over.

The pandemic is only partly to blame for the negative impacts on mental health and wellbeing that we are seeing in the health workforce. Even before the pandemic, healthcare workers experienced high rates of mental health issues due to their working conditions. A shortage of healthcare workers means increased workloads, more overtime, and less time to provide quality patient care. The workers that bear the brunt of it are often in low-paying or part-time positions with little to no benefits, and are disproportionately women, immigrants and racialized individuals.

Canada is failing our healthcare workers and by extension the Canadian population. As we have seen during this pandemic, if Canada's workforce is not healthy then our economy cannot function properly. The same is true for our health system. Healthcare workers are the system's most valuable resource and when they are well taken care of, so are Canadians.

***Recommendation 4: Ensure proper mental health supports and programs are in place to assist healthcare workers now and once the pandemic is over. Special attention must be paid to healthcare workers that do not have access to mental health supports and programs through an employer, regulatory body or professional association. Investing in mental health research that leads to the development of innovative products and services, including virtual supports, is one way to ensure support for the mental health of healthcare workers.***

***Recommendation 5: Working with stakeholders, address the factors that contribute to increased stress, anxiety, depression and burnout in healthcare workers, such as heavy workloads, excessive overtime, staff shortages, inability to work to full scope of practice, part-time positions with limited or no benefits, low wages, and a lack of paid sick leave. This will help improve recruitment and retention in the sector which will in turn lead to better patient care and a healthier population.***

***Recommendation 6: Implement a national health human resources strategy to tackle the shortage of health professionals, create a more inclusive and resilient health system, and deliver on your government's promise that every Canadian have access to a family doctor or primary health care team.***

***Recommendation 7: Increase health transfers to provinces and territories and, at minimum, maintain the federal share of funding over time.***

## Modernize healthcare infrastructure to create a more resilient and greener health system

Canada's healthcare facilities are among the oldest public infrastructure in use today, with approximately 48 per cent having been built more than 50 years ago. The situation is worse in cities, where nearly 70 per cent of healthcare facilities are more than 50 years old. Over the last 20 years, Canadian capital investment in health infrastructure has fluctuated, with a noted decline in recent years, despite overall healthcare spending increasing steadily over this same time.<sup>3</sup> This suggests that capital investments are being sacrificed to fund operational expenses. Such an approach is short-sighted and will only serve to further strain the system and deteriorate patient care.

On top of operating with outdated infrastructure, healthcare facilities are the most energy-intensive facilities in Canada, consuming approximately 11 per cent of total public energy and accounting for roughly five per cent of Canada's greenhouse gas footprint. Canada's failure to maintain adequate capital investment in its healthcare facilities harms our environment and severely undermines our ability to sustain an innovative and technologically advanced healthcare system. The COVID-19 pandemic starkly revealed that Canada's outdated health infrastructure puts the health of Canadians at risk. Nowhere is this more evident than in long-term care where in many facilities it is nearly impossible to comply with physical distancing and isolation protocols.

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3. Teja B., Daniel I., Pink G.H., Brown A., Klein D.J. (2020). *Ensuring adequate capital investment in Canadian health care*. CMAJ Jun 2020, 192 (25) E677-E683. Retrieved from: <https://doi.org/10.1503/cmaj.191126>.



In addition to improving our physical health infrastructure, Canada must seriously commit to implementing digital health infrastructure that streamlines the health system, facilitates the safe sharing of health information with practitioners and patients alike, and supports virtual care. COVID-19 has brought a welcome increase in the use of virtual health care tools within the system and has highlighted the many benefits of virtual care. This quick shift to virtual care has underscored the need for more robust national digital health infrastructure with interoperable data platforms that can support this new way of providing care, and that Canadians can trust to keep their sensitive information safe.

The growth of virtual care has also resulted in a rise in cyber threats, creating a newfound urgency to strengthen cybersecurity in the health sector. Healthcare organizations across the world have sustained cyber-attacks and authorities have warned of increased and imminent cybercrime threats targeting the healthcare sector in recent months. Governments must prioritize cybersecurity in the health sector to ensure continuous, quality healthcare and safeguard the sensitive personal data of Canadians.

Investing in healthcare infrastructure – both physical and digital – is a nation-building priority that will strengthen the resilience, sustainability and equity of the health system by increasing access to health services; addressing overcrowding; building surge capacity; improving infection, prevention and control capabilities; reducing health system operating costs; enhancing quality of care; and creating a more patient-centred health system. Beyond supporting the health of Canadians, investing in healthcare infrastructure

contributes to Canada's economy by creating jobs; stimulating local, provincial and territorial economies; growing Canada's GDP; increasing efficiencies which in turn reduce healthcare costs; catalyzing innovation in healthcare delivery; attracting top talent and global investment in both research and patient care; and maintaining Canada's global competitiveness.

***Recommendation 8: To modernize Canada's health infrastructure, over the next five years increase capital investments in healthcare to a minimum of 0.6 per cent of GDP to better align with Canada's OECD comparators. This includes investments in physical infrastructure, such as hospitals, research facilities and long-term care homes, as well as investments in digital health infrastructure and cybersecurity.***

## Conclusion

As we have learned all too well over the past year, a healthy population and a healthy economy go hand in hand. Investing in a health system that works for everyone and harnessing the innovative and economic power of the health and biosciences sector will not only ensure our economy functions but thrives by creating jobs, stimulating local economies, and attracting top talent and global investments.

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## About HealthCareCAN

*HealthCareCAN is the national voice of Canada's hospitals, healthcare organizations and health research institutes. As a pan-Canadian, non-partisan association representing organizations in the health sector, HealthCareCAN advocates for health research and innovation and for enhanced access to high-quality health services for Canadians.*

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