

**Provincial and Territorial Finance and Health Ministers
Seek Fair and Sustainable Health Funding Partnership
with the Federal Government**

Québec City, December 20, 2016.– Provincial-Territorial Ministers of Finance and Health today unanimously called on the federal government to negotiate a fair and long-term funding partnership for the health of Canadians.

Health care is the number one priority of Canadians. Ministers agreed that the federal government's unilateral approach to health funding puts the services Canadians rely on as well as the sustainability of provincial and territorial health services at risk. The funding arrangements currently on the table from the federal government will further erode the federal share of health spending and put additional strain on provinces and territories. No matter how it is packaged, this proposal will see the federal share of health expenses drop from 23.3% to 22.2% in five years, and to 20.4% in ten years.

Health care is the single largest budget item for the provinces and territories, each of which is responsible for the front line delivery of quality health services for Canadians. Research from the Parliamentary Budget Officer and the Conference Board of Canada has concluded that health costs contribute to the long-term structural fiscal imbalance between the federal government and provincial/territorial governments. Both confirm that the federal government has the capacity to be a stronger partner in health funding.

The current federal funding proposal is over \$30 billion less than what the evidence shows is needed to maintain the sustainability of health care systems. This offer has been presented as a unilateral “take it or leave it” proposal. Premiers have been asking for a First Ministers’ discussion on health care for over a year, and the Prime Minister committed to meeting with provinces and territories to negotiate long-term health funding. On the 50th anniversary of Medicare in Canada, provinces and territories are open and willing to engage in constructive negotiations with the federal government similar to those pursued over the past year of climate change work. The health of Canadians should be afforded the same opportunity for thoughtful discussion. Provincial-Territorial Ministers of Finance and Health are united in calling for a meeting of First Ministers to negotiate a long-term health funding agreement.

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