

Minister of Finance



Ministre des Finances

Ottawa, Canada K1A 0G5

August 2, 2019

Hon. Andrew Scheer, P.C., M.P.
House of Commons
Office of the Leader of the Opposition
Ottawa, ON K1A 0A6

Dear Mr. Scheer,

I am writing with regard to your letter of August 1, 2019 to the Premiers of the provinces and territories concerning your proposed cuts to home care and mental health funding. The commitment that you made in your letter is concerning on two fronts.

First, you have failed to commit to maintaining the existing formula for the Canada Health Transfer to the provinces and territories. By committing to “at least 3%” instead of the existing formula, you are trying to mislead Canadians as you propose cuts to public health care.

Second, by only committing to at least 3%, you are making it clear that you intend to cut the 10-year funding agreement that our government negotiated with the provinces and territories to deliver mental health and home care services.

Between the Canada Health Transfer's existing formula and our new Health Accord, our funding for healthcare is expected to rise by 4.1% in 2021-22. By not committing to the new Health Accord on top of a guaranteed 3%, you are promising up to a \$1.5 billion cut in annual public health care spending regardless of economic activity. If you cut the Health Accord and you do not commit to maintaining the existing formula, then you will be cutting more than \$3 billion from health care over the next two years. Either way, you are clearly committing to make cuts to the projected levels of public health care investment.

In trying to provide certainty to provinces and territories, you have in fact created uncertainty. When Canadians hear political leaders say that they intend to maintain or increase funding, that is what they expect to see – not cuts to programs and services that Canadians rely on.

Our provincial and territorial partners rely on stable federal funding to ensure high-quality public healthcare from coast to coast to coast. Canadians are proud of their publicly funded healthcare system. That's why we are strengthening it with transformative investments in home care, mental health and our plan to implement national pharmacare.

You have already committed to five years of cuts, just like Doug Ford is doing now in Ontario. While campaigning, Premier Ford said that he would not make cuts to healthcare, and then he did after he won the election. Likewise, you may write letters and make promises now and during the election campaign, but Canadians know that you will make painful cuts.

Canada

Canadians expect their governments to continue investing in the services they need, not make cuts that would put their health and wellbeing at risk.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bill Morneau", followed by a period.

Hon. Bill Morneau, P.C., M.P.