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Gaps in Provincial Funding for Hospital and Healthcare in High Growth Communities Still Widening – Social Services Funding Gap in GTA/905 Remains Large

***Investing in human services and addressing lack of fairness in Ontario is also key to
Ontario's economic turnaround***

Toronto: Four million Ontarians in high growth communities, including those living in the GTA/905, are still well behind other Ontarians when it comes to provincial funding for local hospital services, community-based health care services and social services according to a third annual report issued today by the *Strong Communities Coalition*.

This third report prepared by PricewaterhouseCoopers (PwC), *Assessing the Gap in Provincial Healthcare Funding between LHINs with High-Growth Populations and the Rest of Ontario and the Gap in Provincial Funding for Social Services in the GTA/905 and the Rest of Ontario: A 2008 Update*, finds that there remain sizeable gaps in provincial funding for social services in the high growth GTA/905 regions of Durham, Halton, Peel and York. In 2006/07, social services in the GTA/905 received \$193 less provincial funding per resident services compared to the rest of Ontario. This translated into a total annual operating funding gap of \$641.9 million. The slightly narrower gap for social services in 2006/07 is primarily due to the reduction in overall funding across Ontario for social services on a per resident basis. PwC found that to bring the GTA/905 regions in line with the rest of the province and close the provincial funding gap, provincial social services funding in the GTA/905 would need to more than double.

The report also found that hospital services in high growth communities like the GTA/905 regions, Kitchener and the Waterloo Region, Simcoe County, Wellington County and Dufferin County receive \$255 less per resident in provincial funding compared to the rest of Ontario and that community-based & long-term care services received \$84 less per resident in provincial funding. For four million Ontarians in these regions, this translates into a \$1.404 billion annual operating funding gap for local hospital care and a \$526 million annual operating funding gap for local community-based & long-term care services. Data in the report shows that the hospital funding gap grew by \$44 million between 2007/08 and 2008/09 and the gap for community-based & long-term care services widened by \$36.9 million.

“By investing in human services in a way that brings greater fairness and equity to Ontario, the Ontario government will help build strong, supportive and healthy communities that will play a key role in Ontario’s economic turnaround.” said Shelley White, CEO of United Way of Peel and a member of the Strong Communities Coalition. “In addition to greater fairness and equity in Ontario, by investing in hospital services, community-based health care services and social services in high growth communities, the provincial government will help keep Ontarians healthy and productive. Fair funding in high growth communities for key human services will provide families with support as they are affected by the economic downturn and ensure that our seniors and our most vulnerable are protected”

“Beyond growth funding, given limited government revenues and the need to invest provincial funds more wisely, it is doubly important for Ontario to allocate provincial health and social services funding using a population needs-based formula. This will ensure that limited provincial funds for social services and health care is allocated based on the relative needs of our communities rather than

historical allocations which have little to do with population growth and the change in demographics”, said Anne McGuire, Chair of the Growing Communities Healthcare Alliance, a member of the Strong

Communities Coalition. “The \$100 million hospital growth funding election commitment is clearly a step in the right direction. However, while \$30 million of this has been allocated this year, the funding gap continues to widen and we need to improve how growth funding is distributed at the LHIN level. To continue to address the widening gap in provincial hospital funding, provincial growth funding investments will need to be safeguarded”

To help support Ontario families during this economic downturn, invest in Ontario’s economic turnaround and provide for fairness in Ontario, the *Strong Communities Coalition* is recommending that the Ontario Government:

1. Quickly establish an Ontario Health & Social Services Growth Task Force to complement *Places to Grow* that will provide recommendations to the Premier about how best to support growth in Ontario’s high growth communities by investing in hospital care, community-based health care and social services in addition to physical infrastructure.
2. Better distribute hospital, health care and social services funding using a Population Needs-Based Funding formula: The *Health Based Allocation Model* is a good start for hospitals and for community-based health care. We also urgently need a Population Needs-Based Funding formula for Social Services.
3. Safeguard the \$100 million hospital growth funding commitment for hospitals and build on it by providing growth funding for social services and community-based healthcare & long-term care.

The *Strong Communities Coalition* is an alliance of the United Ways in Peel, York, Durham and Oakville and the Growing Communities Healthcare Alliance with the support of York Region Human Services Planning Coalition and the Peel Fair Share Task Force. The Coalition’s goal is to improve local and timely access to comprehensive and quality health care and social services in the Ontario’s high growth communities including GTA/905.

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The report, *Assessing the Gap in Provincial Healthcare Funding between LHINs with high growth populations and the Rest of Ontario and the Gap in Provincial Funding for Social Services in the GTA/905 and the Rest of Ontario: A 2008 Update* can be found by accessing the Strong Communities Coalition’s website at: www.strongcommunitiescoalition.org

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