

**SUBMISSION**



**CANADIAN  
NURSES  
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# **2021 FEDERAL PRE-BUDGET CONSULTATIONS**

**Submission to Finance Canada**

**February 2021**

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# Recommendations for Budget 2021

1. Develop pan-Canadian standards and provide additional funding for the long-term care (LTC) sector
2. Invest \$21.1 billion over 10 years to implement a demographic top-up to the Canada Health Transfer
3. Invest \$200 million to expand virtual care in Canada



# Charting a path to equitable economic recovery

As the federal government evaluates options for Budget 2021, the Canadian Nurses Association (CNA) is pleased to submit for consideration our recommendations and priorities to make Canada's economy and health-care system more resilient.

CNA is a powerful, unified voice for the Canadian nursing profession. We represent all categories of regulated and retired nurses in all 13 provinces and territories. We advance the practice and profession of nursing to improve health outcomes and strengthen Canada's publicly funded, not-for-profit health-care system.

Despite the arrival of multiple vaccines, we know the COVID-19 pandemic is far from over. To establish a foundation for a stronger middle class, Canada must invest in a healthier and fairer society by addressing health-care system gaps that were unmasked by COVID-19. As a nation, we have an opportunity now to bring about essential transformations to our health-care system and create a safer and more equitable society for all.

CNA's priorities align with the federal government's mandate as laid out in the September 2020 speech from the throne. Going into 2021, CNA looks forward to working on several national priorities with the federal government.

Nurses' unique knowledge, expertise and leadership are essential to respond to COVID-19 and address long-overdue system changes. CNA calls on the federal government to place the knowledge and expertise of nurses prominently in the ongoing COVID-19 response and economic recovery decisions that lie ahead.



# Recommendations

## 1: Develop pan-Canadian standards and provide additional funding for the long-term care sector

CNA welcomes the government's commitment and investments dedicated to long-term care (LTC) in the speech from the throne and the Fall Economic Statement and looks forward to the development of these standards. CNA strongly recommends that the federal government lay out a concrete plan for the development of national standards for equal access; consistent quality; and necessary staffing, training and protocols for the LTC sector while tying new and targeted federal funding to these standards.

- During the first wave, LTC residents accounted for 81% of COVID-19 deaths in Canada — the worst outcome globally. This is in part a result of decades of neglect of the sector.
- In 2017, Canada spent 1.3% of gross domestic product (GDP) on LTC. Although Canada is tied with France and Ireland for 10th place out of 36, Nordic countries such as Denmark (2.3%), Norway (2.6%) and Sweden (2.7%) spend double what Canada does.<sup>1</sup>
- If we continue the same course, there will be a need for an additional 199,000 LTC beds by 2035 — adding nearly 80% to the existing stock of 255,000 beds, at an estimated cost of \$64 billion to build and \$7 billion per year to operate. Staffing these beds will be an even bigger challenge.<sup>2</sup>
- With no national standards for LTC, there are many variations across Canada in the availability and quality of service.<sup>3</sup>
- Residents are entering nursing homes with much more complex needs, but funding, models of care and the workforce in LTC have not evolved to align with their needs.
- In a survey conducted by CNA in 2020, 92% of Canadians supported implementing national standards.
- As key leaders in LTC, nurses should be engaged in the development of these standards.



## 2: Invest \$21.1 billion over 10 years to implement a demographic top-up to the Canada Health Transfer

The most influential force shaping Canada's economy in the 21st century is its aging demographics. However, because the Canada Health Transfer is an equal per capita-based transfer, it does not currently address the imbalance in population segments such as older adults.

CNA, in conjunction with other health organizations, is calling on the government to invest \$21.1 billion over 10 years by introducing a demographic top-up to the Canada Health Transfer to meet the needs of Canada's aging population.

- Population aging will drive 20% of increases in health-care spending over the next decade, which amounts to an additional \$93 billion.<sup>4</sup>
- The proportion of older adults in the Canadian population will rise from 16.9% to 21.0% over the next 10 years, casting Canada as one of a growing group of *super-aging* nations. The cost of health care for the average older adult is about \$12,000 per year, compared with \$2,700 per person for the rest of the population.<sup>5</sup>
- Total health-care expenditures are projected to increase at a pace that far exceeds the rate of growth of the Canada Health Transfer. The Conference Board of Canada has estimated that federal health transfers will grow at an average of 3.7% per year over the next decade; however, health-care costs will grow by 5.1% per year.
- The main driver of population aging in Canada is the baby-boom cohort (population currently aged 55 to 74). By 2040, the youngest baby boomer will reach 75. Since the largest per capita costs of providing health care occur in the older age groups, this cohort is projected to dramatically increase total health-care spending. This will put substantial pressure on social programs, such as Old Age Security and medicare.<sup>6</sup>
- According to a survey conducted by CNA, a strong majority of Canadians (89%) support increasing federal health funding transfers to provinces and territories in accordance with their aging population.
- New federal funding would enhance the ability of provinces and territories to meet the needs of Canada's older adults and invest in LTC, palliative care and community and home care.



### 3: Invest \$200 million to expand virtual care in Canada.

Although health digital technologies have been a reality for many decades, they have yet to be widely adopted in Canada. However, due to COVID-19, more health-care providers are offering these tools for patients. The sudden acceleration in virtual care is a silver lining of the pandemic as it has enabled increased access to care. Although many barriers still exist, the role of virtual care should continue to be dramatically scaled up even after COVID-19. Canada must be careful not to move backwards.

CNA recommends that the federal government invest \$200 million over five years to assist jurisdictions in accelerating the deployment of technology and ensure the availability of health human resources with appropriate training in culturally competent virtual care.

- Virtual care can lower costs and improve access to health care, particularly for Indigenous people, people living in rural and remote areas and marginalized populations.
- However, nurses have said that more resources are required to dramatically scale up implementation of full electronic systems within organizations and integrate digital systems across health-care sectors.<sup>7</sup>
- Only 6 in 10 nurses who use virtual-care technologies agreed that they had the knowledge and skills required to use these technologies, demonstrating the need for further education and support.<sup>8</sup>
- According to a CNA survey, just under one-third of Canadians using virtual care reported interacting with a nurse, highlighting a huge gap that nurses could be filling.
- 78% of Canadians believe the use of virtual care can improve or somewhat improve health-care services.<sup>9</sup>
- During the pandemic, 91% of Canadians who used virtual care were satisfied with their experience. Also, 46% of Canadians would prefer that their first point of medical contact be virtual.<sup>10</sup>
- 87.4% of Canadians have access to high-speed internet, but only 45.6% of those living in rural areas have access.<sup>11</sup>



# Endnotes

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<sup>1</sup> <https://policybase.cma.ca/en/viewer?file=%2fdocuments%2fPolicyPDF%2fPD21-02.pdf#phrase=false>

<sup>2</sup> [https://www.cma.ca/sites/default/files/2018-11/9228\\_Meeting%20the%20Demand%20for%20Long-Term%20Care%20Beds\\_RPT.pdf](https://www.cma.ca/sites/default/files/2018-11/9228_Meeting%20the%20Demand%20for%20Long-Term%20Care%20Beds_RPT.pdf)

<sup>3</sup> [\*RSC LTC report\*](#)

<sup>4</sup> Conference Board of Canada. (2018). Meeting the Care Needs of Canada's Aging Population.

<https://www.cma.ca/sites/default/files/pdf/Media-Releases/Conference%20Board%20of%20Canada%20-%20Meeting%20the%20Care%20Needs%20of%20Canada's%20Aging%20Population.PDF>

<sup>5</sup> <https://www.cma.ca/sites/default/files/pdf/Media-Releases/Conference%20Board%20of%20Canada%20-%20Meeting%20the%20Care%20Needs%20of%20Canada's%20Aging%20Population.PDF>

<sup>6</sup> [https://www.canadaspremiers.ca/wp-content/uploads/2020/10/CBOC\\_impact-paper\\_research-on-healthcare\\_final.pdf](https://www.canadaspremiers.ca/wp-content/uploads/2020/10/CBOC_impact-paper_research-on-healthcare_final.pdf)

<sup>7</sup> <https://www.cna-aiic.ca/en/news-room/news-releases/2020/digital-health-is-helping-canadian-nurses-improve-patient-care-but-opportunities-for-improvement-remain>

<sup>8</sup> <https://www.cna-aiic.ca/en/news-room/news-releases/2020/digital-health-is-helping-canadian-nurses-improve-patient-care-but-opportunities-for-improvement-remain>

<sup>9</sup> <https://abacusdata.ca/national-self-care-strategy-canada-poll/>

<sup>10</sup> <https://www.cma.ca/virtual-care>

<sup>11</sup> <https://crtc.gc.ca/eng/internet/internet.htm>

