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## **B.C. budget will be unhealthy if medical care gets most new spending**

New research in the *Canadian Medical Association Journal* offers advice to B.C.'s minority government when finalizing its 2018 budget: **Don't grow medical care spending more than other social spending, because health doesn't start with health care.**

That is the finding from decades of research summarized by Dr. Paul Kershaw in a new article "The need for health in all policies in Canada."

Science shows that health starts where we are born, grow, play, work and age. These conditions are shaped by the distribution of wealth, income, education, employment, housing, food, human impact on the environment, *and the many government policies that influence these other factors.*

**"This means health promotion is actually the domain of social, economic and environmental ministries of government,** whereas medical ministries treat illness more than they prevent it," observes Kershaw.

As a result, it is worrisome that per capita medical spending in Canada has increased ten times faster since 1981 than did social spending. Such a spending pattern associates with lost opportunities to improve life expectancy and prevent avoidable mortality in comparison with a more even distribution between medical and social investments – a finding reported by Daniel Dutton and colleagues in a study published in tandem with Kershaw's article.

**So when it comes to evaluating the 2018 budget in B.C., the latest research reveals we should judge it to be healthy *only* if new spending on programs like child care, housing and poverty reduction outpace new investments in medical care.**

"A healthy budget isn't just about spending, however," Kershaw explains. A commitment to health in all policies also invites review of government decisions that shape major costs of living – like housing. Average home prices used to cost four times median earnings for typical young British Columbians in 1976, but now cost 14 times. Stabilizing home prices does not require additional public spending so much as adaptations to outdated policies that

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limit supply by restricting density in urban centres, and increase demand by sheltering real estate wealth from taxation.

In response, a healthy B.C. budget needs bold measures to rein in home prices by:

- restricting harmful demand that results in empty homes and short-term rentals for vacationers at the expense of homes for locals;
- stimulating a surge in suitable supply, including purpose-built rental; and
- taxing housing wealth fairly when measuring people's ability to pay for medical care.

The focus on taxation in the final bullet signals that governments should generate revenue more often by taxing what harms health (like home prices outpacing earnings) and less by taxing what promotes it (like higher median earnings).

The same goes for pricing carbon pollution. Since many medical scientists judge that climate change is the greatest risk to human health, it is time to revisit why carbon pricing only generates 2.4 per cent of B.C. government revenue.

The full studies by Kershaw and Dutton et al. are provided as attachments to this media release:

[The need for health in all policies in Canada](#): Paul Kershaw PhD, 2018

[Effect of provincial spending on social services and health care on health outcomes in Canada: an observational longitudinal study](#): Daniel J. Dutton PhD, Pierre-Gerlier Forest PhD, Ronald D. Kneebone PhD, Jennifer D. Zwicker PhD, 2018