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Globe and Mail (February 5, 2003)

Private care non-issue in talks

Provinces won't be forced to roll back for-profit delivery of medical services

By SHAWN MCCARTHY, OTTAWA BUREAU CHIEF

It has been a key battleground for years, but the role of the private sector in Canada's health-care system was a non-issue as Prime Minister Jean Chrétien and the provincial premiers gathered in Ottawa last night.

Despite pleas from some advocates, Mr. Chrétien will not insist that provinces roll back plans to introduce more private delivery of core medical services as one of his conditions for transferring more than \$25-billion to the provinces for health care.

In a study of the health-care system, former Saskatchewan premier Roy Romanow expressed concern about the growing trend toward privately run hospitals and diagnostic clinics, but did not recommend that they be outlawed. He did argue, however, that the federal government should force Quebec and British Columbia to stop charging user fees for medically necessary magnetic resonance imaging.

The Canadian Alliance, on the other hand, has argued that Ottawa should explicitly acknowledge the beneficial role that private investment can play in health care, while protecting the universal access of all Canadians to free medicare.

Federal and provincial officials agreed yesterday that neither side wants to engage in a divisive debate over the role of the private sector, one that could reduce the likelihood that the first ministers will emerge with a deal after their meeting today at the former Ottawa City Hall.

"It hasn't been a significant factor in the negotiations" aimed at closing the federal-provincial deal, one senior federal source said.

He added that the provinces have all committed to the principles of the Canada Health Act, which requires public administration of health care but has been interpreted to allow private operators under a public umbrella.

Ontario Premier Ernie Eves said private-sector investment in health care is already considerable, and he would welcome more.

"I think the important thing is that it is done through a publicly administered system, that there is equal access, that you can't queue-jump to get preferred treatment," said Mr. Eves, whose government has asked for private bids to build and run hospitals.

"As long as those priorities and basic principles are preserved, I'm not against private-sector dollars in the health-care system."

Medicare advocates urged Ottawa yesterday to get tough with the provinces and roll back the trend of increasing private-sector delivery.

Sharon Sholzberg-Gray, executive director of the Canadian Healthcare Association, which represents hospitals and clinics, noted the absence of debate over the role of the private sector in the current round of negotiations.

"What we're really concerned about is accountability to the public. Are private-sector providers as accountable as public-sector ones? They ought to be. And we have a lot of concern," she said.

Federal officials said the provinces will be required to report on the performance of their entire system, regardless of whether it is publicly or privately owned.

The Canadian Health Coalition, a union-supported lobby group, lamented the fact that the deal does not prohibit clinics that charge patients directly for services.

The deal also ignores a recommendation by the Romanow commission that Ottawa strengthen the Canada Health Act by adding a sixth principle of accountability to it.

Coalition co-ordinator Mike McBane said Mr. Chrétien must insist that any new investment in the system is spent on the public system and not on services that are provided by the private sector.

"The public investment must be in the public system because you can't assume Ralph Klein shares those values," said Mr. McBane. Many of the country's privately owned diagnostic clinics are in Alberta.

2. _____

Toronto Star (February 6, 2003)

\$35B for medicare not enough: Premiers Premiers complain cash doesn't match Romanow findings

By TIM HARPER AND LES WHITTINGTON, OTTAWA BUREAU

OTTAWA—Canada's first ministers have a new health-care deal, but one which has left the provinces feeling shortchanged, the territories excluded and Prime Minister Jean Chrétien short of the real medicare reforms he had promised.

Following almost 12 hours of some of the toughest health-care bargaining the country has ever seen, the two sides could not even agree on how much money had been pledged for the system.

Ottawa maintained that it had committed \$17.3 billion over the next three years, rising to \$34.8 billion over five years — more than \$27 billion of that new money.

"This is \$17 billion and a bit more for three years, beginning in April," Chrétien told a press conference, where the obvious behind-closed-doors rancour spilled out to the public microphone.

The provinces say the figure is actually \$12 billion over the next three years, because it includes money that had already been previously committed by Ottawa and direct health-care spending the federal government would allocate regardless of yesterday's negotiations.

The provinces had demanded \$15 billion in new health-care funding over the next three years, as laid out by former Saskatchewan Premier Roy Romanow in his report on the future of medicare.

"From our perspective, this is a step in the right direction, but it certainly doesn't resolve the issue," Ontario Premier Ernie Eves said.

"We will be back.

"I'm sure his (Chrétien's) successor will be far more generous. Let there be no mistake. In my opinion we got about half of the Romanow recommendations on new health-care direction and we've got enough for health sustainability for the next year."

Eves said he wants to get back to the bargaining table as quickly as possible, "the sooner the better, as far as I'm concerned."

Ottawa breaks down its spending pledges this way:

\$12 billion more over five years in health transfers for the provinces to use as they see fit;

\$16 billion in a five-year reform fund, beginning with \$1 billion in the next fiscal year, and rising to \$5.5 billion by 2007-08. That money will be spent on home care, primary health care, and new catastrophic drug coverage. It will also go to the purchase of diagnostic and medical equipment, and information technology;

\$1.5 billion will be spent directly on a diagnostic fund;

\$2.5 billion in immediate help this fiscal year, ending March 31, 2003;

\$600 million in health information technology;

\$500 million for research hospitals;

\$1.3 billion over five years for a series of federal health priorities to be set out in the next budget.

There will be annual national reports on progress on the so-called targeted programs dealing with home care, primary care and catastrophic drug coverage starting next year. Health-care dollars will be monitored and reports will be issued annually in each province. Although the data will be nationally comparable, Ottawa agreed to a key demand of the provinces that they report to their own electorate.

Dana Hanson, president of the Canadian Medical Association, said the deal nonetheless appears to address the key concerns of most Canadians — it boosts funding for core services and primary care, and provides for catastrophic drug coverage and home care.

He also applauded a promise to create two health councils to monitor and report on the progress of health-care reform.

"I think it was worth the wait," he said. "(The deal) certainly is within the range of Romanow, (Liberal Senator Michael) Kirby and our recommendations."

The common, determined front by the premiers surprised federal officials who had predicted a deal could be signed, sealed and delivered by lunch yesterday.

The tough talks also belied the optimism shown by both the federal and provincial sides as they entered a Tuesday evening dinner.

"We were surprised how long it took," one federal source said. "Many premiers believe they left money behind when they signed in 2000 and they were determined that it would not happen again.

"I think they think we were hiding money under the table."

Chrétien said the first ministers had "demonstrated our commitment" to fixing the health-care system.

But he admitted that Ottawa and the provinces disagreed on how to calculate the amount of new money the federal government was offering yesterday.

Later, he bristled at reporters who questioned Ottawa's math.

"Look at the numbers!" he snapped in frustration. "What's the new money they will get next year, starting April 1? Calculate the new money, and it's more than \$17 billion."

A reporter reminded him that he also had a new surplus.

"Yeah, but listen!" Chrétien replied. "Surplus! We have other priorities!"

"You're in the House of Commons — people want some for defence, people want some for the environment, people want some for Kyoto, people want some for low-income earners. We don't just have health."

Canada has a good medicare system but "there will always be problems.

"There will always be room for improvement, if there were more resources.

"Canadians recognize that a sustainable health system requires real change and real investments, investments that are expressly directed to change, as well as new money to meet immediate pressures on the system," Chrétien said at a press conference.

Chrétien said he was pleased that the agreement will allow federal-provincial governments to meet many of the objectives set out of by Romanow in his landmark report on medicare in November.

He said the deal will bring about "real reform" that will meet federal goals to improve home care, cover extra-high or "catastrophic" prescription drug costs and provide more 24-hour primary care.

"Today we have proven that governments can work well together on behalf of Canadians.

"Tommy Douglas started medicare in Saskatchewan. Lester B. Pearson made it a national program.

"Today Canadians can be confident that federal and provincial governments have provided for a modernized, sustainable health-care system for the 21st century."

Quebec Premier Bernard Landry said he was "pleasantly surprised" by Chrétien's flexibility and willingness to listen to Quebecers' goals.

But he said he was disappointed that Chrétien had not been more flexible on financing issues.

New Brunswick premier Bernard Lord said the deal was "a step in the right direction" that will help make medicare sustainable.

Not every premier was critical of the agreement.

"I was disappointed this wasn't full Romanow based on my interpretation of the funding, but my view is that it is better for patient care to have a base of \$12 billion of the \$15 billion Romanow recommended rather than zero," Manitoba Premier Gary Doer said.

3. _____

Toronto Star (February 6, 2003)

So much hope, so little gained

By JAMES TRAVERS

OTTAWA — In the course of Canada's federal-provincial conflicts there is, occasionally, a confluence of forces so powerful that progress is irresistible. One of those occurred here yesterday and the result is a grudging, new health-care deal that had too much momentum to be stopped but too little to be judged a triumph.

After intense negotiations that stretched into the evening and then the night, the first ministers signed a document — the premiers even refused to call it an agreement — that puts more cash into health care but falls well short of expectations. While it will take time to assess all the implications, it was painfully clear last night that no one, not the provinces, not Prime Minister Jean Chrétien and certainly not the territorial leaders who refused to sign it, got what they wanted.

The premiers didn't get the money they need. The Prime Minister didn't carry home the most important piece of his elusive legacy. And territorial leaders left angry and disappointed that there is no special help for their special, sometimes desperate, problems.

When it was finally over, the federal government committed \$17.3 billion over three years and nearly \$35 billion over five, to a health system it short-changed to balance budgets and cut taxes. In return, the provinces, the principal health-care providers, agreed to focus spending on key areas — primary care, support for patients recuperating at home and protection against catastrophic drug costs. And, significantly, the performance of health services will be assessed, monitored and the results made public by a controversial national council.

Canadians taking their first look at the deal this morning can take some satisfaction that there will be more cash not only to sustain a health system showing cracks but also to invest in its future. Luck and good management may eventually mean shorter waiting times, more and better technology and innovative new approaches to keeping the country healthy.

What is less satisfying and more surprising is that so little came from a meeting that was so promising. The political conditions prevailing yesterday are rarely seen and not likely to be seen again soon.

With retirement officially a year away, Chrétien needed a linchpin for a legacy that is proving elusive. With seven elections looming this year, the premiers and territorial leaders could not afford to disappoint voters who have long made health care and its renewal their first priority. And with the federal surplus rising above earlier forecast, Ottawa could clearly afford to be generous.

Those conditions spawned palpable optimism that Ottawa would open its coffers to sustain the system and to buy meaningful change. At mid-morning yesterday, Chrétien's aides were still confidently predicting a noon press conference and a deal.

Instead, the meeting quickly deteriorated into familiar bickering over the federal government's share of health spending. Remarkably, the Prime Minister allowed the federal government to again be positioned as the country's health-care scrooge by premiers who throughout the day made it clear they were willing to accept Ottawa's conditions for a more transparent, accountable national health-care system.

What makes Ottawa and Chrétien vulnerable is that the deal reached last night appears to do less for health care than Roy Romanow recommended in his November report. If Manitoba Premier Gary Doer is right, the deal provides less than half of what Romanow believed is needed for health innovations.

Chrétien commissioned the study by his old constitutional colleague in what was widely seen as an attempt to take control of an issue that was plaguing federal-provincial relations and, at the same time, held the most promise for personal success in the closing months of a 40-year political career. To miss an opportunity to quiet the medicare debate and to add to his political record is both unfortunate and unnecessary.

Worse still for the Prime Minister, the failure will be remembered.

While Chrétien's so-called legacy agenda is extensive, no part of it is as important or enjoys as much public support as the overdue renovation of a social policy that, for better and worse, is also a national icon. Along with balancing the budget and imposing tough regulations on referendums, health-care reform would have been remembered as a jewel in Chrétien's triple crown.

That is now in doubt. While the Prime Minister insisted first ministers won't be revisiting the health-care debate anytime soon, it seems certain the debate is far from over.

Premiers who habitually blame Ottawa for long queues, poor services and a penny-pinching approach now have more proof that the federal government is a perfidious partner. Even more worrying, Chrétien's reluctance to spend the federal surplus where most Canadians want it spent may well give conservative premiers another reason to push for more private delivery of health services.

Most of all, yesterday's meeting is a disappointment for patients, taxpayers and voters who had every reason to believe the Prime Minister and the premiers had finally received the message the country has been sending so loudly and so clearly for so long.

Health care is what concerns Canadians most and politicians had an unusual opportunity to respond.

That opportunity was not seized and what might have been a fine and defining moment for the country's two senior levels of government ended in a sad anti-climax.

Time, effort and continuing public pressure may eventually reshape yesterday's agreement into something more substantial. But at the end of a long, difficult day, the Prime Minister and the premiers had only reinforced that indelible image of a cold country slipping and sliding in the snow as it tries to inch forward.

More progress was needed. More progress was possible.

4. _____

Totronto Star (February 6, 2003)

Two key Romanow points are neglected

By THOMAS WALKOM

OTTAWA—Let's hear one cheer for the first ministers. They agreed to put more money into health care. They even agreed to use much of this money to make necessary structural reforms.

But on two of the most important recommendations for medicare laid out by health commissioner Roy Romanow, Jean Chrétien and the premiers balked.

The first omission is central: the failure to expand medicare itself. The second, underlined by the dramatic decision of the three territorial leaders not to sign on to this so-called arrangement, was the failure to deal with the unique health needs of Canadians who live in remote and northern communities.

Medicare is not synonymous with health care. There is much health care in Canada that takes place outside the scope of the Canada Health Act, the federal law governing medicare.

Some of this non-medicare health, such as pharmaceutical drug therapy, tends to be privately funded. Some, such as home care, tends to be publicly financed.

Romanow's genius was that he understood the need to bring more of Canada's health-care system under the medicare umbrella — that is to say, under the purview of the Canada Health Act.

Right now, only doctors and hospitals are covered under this act.

The reasons are moral and practical. Medicare is fairer. Under the Canada Health Act, medicare services must be accessible to all who need them, with no extra fees or user charges thrown in.

Publicly administered medicare services also tend to be cheaper over-all than mixed public-private health services.

In his report, Romanow started small. He called for the Canada Health Act to be amended immediately to include limited home care, as well as diagnostic services such as MRIs.

And he laid out a timetable to have all of home care, as well as pharmacare, written into medicare within 18 years.

Initially, Ottawa seemed to agree. In a speech last month, federal Health Minister Anne McLellan promised to "bring home care under the umbrella of medicare."

But in yesterday's "arrangement," even that most modest of goals was watered down. Yes, there will be new federal money for limited home care. Yes, the provinces will have to agree to one of the conditions of the Canada Health Act to receive this money — no user fees.

But they will not have to agree to any of the other four medicare conditions (portability, accessibility, universality and public administration). And home care, it seems, will not be written into the Canada Health Act.

The reason, explained British Columbia Premier Gordon Campbell in a brief interview last night was that premiers find the Canada Health Act too inflexible. They didn't want it expanded to include home care, and Ottawa was happy to comply.

As for Romanow's recommendation that diagnostic services be explicitly included under the medicare umbrella (a move which would have discomfited Ontario Premier Ernie Eves), the final communiqué has not a mention.

This proposed medicare expansion too, it seems, is not to be.

None of this is trivial. Canada's health needs will grow and Canada's health spending will expand in tandem. For those who like medicare, the point is — as Romanow understood — to bring this expansion into the orbit of universal public health insurance.

The second failing of last night's arrangement is perhaps sadder. In his tour around the country, Romanow spent much time in remote communities, particularly in the Far North — the part of Canada that lies beyond the 60th parallel and which comprises the Northwest Territories, Yukon and Nunavut.

He argued passionately for Ottawa and the provinces to focus extra money into these communities which face health — and logistical — problems out of all proportion to their small populations.

As Yukon Premier Dennis Fentie noted last night, a 20-minute ambulance trip to hospital in Ottawa or Toronto translates into a four-hour plane ride in the Far North.

Of this, there was barely a word in last night's agreement. The final communiqué included a rhetorical bow to the needs of aboriginals (who make up the bulk of the population of the territories). But that was all.

"There is nothing in this deal for us," Northwest Territories Premier Stephen Kakfwi told reporters.

So hip, hip hooray for Jean Chrétien and the provincial premiers. Or perhaps just hip, hip.

Under tremendous political pressure from the Canadian public, they did do something to fix medicare. But, as is their wont, they did as little as they could get away with.

The Romanow recommendations themselves were modest. Romanow-minus is not much to crow about.

5. _____

Toronto Star (February 6, 2003)

Encouraging start to fixing medicare

EDITORIAL

It took them several years, but at last Prime Minister Jean Chrétien and the provincial premiers have reached a deal that hopefully will pump new life into our teetering public health-care system.

The deal, reached late yesterday in Ottawa, meant each leader had to swallow personal pride and overcome the two major stumbling blocks of money and control.

The agreement will see Ottawa invest an extra \$34.8 billion over five years to help pay for existing services as well as provide funds to start a major overhaul of how we deliver health care.

It is far from an ideal agreement, but it is an encouraging start to the badly needed reforms and extra money so desperately needed.

The premiers insisted the money falls far short of what they really need. The territorial leaders refused to accept the deal, claiming it failed to address their specialized needs. And Chrétien failed to wring all of the concessions from the premiers that were needed to launch the massive reforms that Roy Romanow and others have argued are needed to make our health-system workable in the 21st century.

All of this makes us uneasy that the deal will prove to be a temporary truce, with leaders back to squabbling in a few years.

The devil is in the details, which will become clearer in the days ahead.

But significantly, Chrétien appears to have won on the accountability issue. A health council will be created to report on how the money is spent and whether provinces are meeting targets to provide home care, drug care and primary care reform.

Because so many premiers objected to federal intrusion in their system, the issue could have been a deal-breaker. This time, hopefully, Ottawa's money won't disappear into the void that has swallowed billions already.

Importantly, the deal creates a multi-billion Health Reform Fund with cash for primary care, home care and catastrophic drug coverage.

But it is encouraging that the provinces have agreed to extend medicare into home care and drug plans. For too long, they have argued that these services are "add-ons," and not an integral part of Canada's government-funded national medicare system.

The deal also calls for tackling the tricky issue of primary care reform, a tricky venture bound to raise the hackles of doctors. All governments have paid lip service to bringing about needed change, but not much has happened. But we can always hope.

Sadly, though, the day could never be ruled an unqualified success. There is no provision to limit private-sector involvement in health care. The issue was considered so divisive that it was not even put on the table.

If it all works out as he hopes it will, this deal may actually turn out to be the cornerstone of Chrétien's personal legacy. He tried to downplay the "legacy" aspect of the deal, but his words recalled the era of others leaders who championed health-care reform.

"Tommy Douglas started medicare in Saskatchewan; Lester B. Pearson made it a national program; today Canadians can be confident that the federal and provincial governments have provided a modernized, sustainable health-care system for the 21st century," Chrétien said.

It will take months — if not years — to determine with certainty if Chrétien is right. But if Ottawa and the provinces hold up their end of this bargain, then the outlook for for Canada's medicare system looks far brighter than it did just a couple of days ago.

6. _____

Globe and Mail (February 6, 2003)

Health deal ignores North, territories say

By JEFF GRAY

Territorial leaders accused Prime Minister Jean Chrétien of being a false friend to the North on Thursday, saying he ignored their concerns and provoked them into walking away from Wednesday's federal-provincial health deal.

"Here's a Prime Minister who brags about how much he loves the North ... [and] it came up a flat zero," Northwest Territories Premier Stephen Kakfwi told a news conference in Ottawa on Thursday, calling the new health-care accord "appalling."

Mr. Kakfwi and his counterparts from the Yukon and Nunavut said they had urged Ottawa to alter its per capita health-care funding formula for the territories, because it ignores the higher costs of caring for small populations spread across hundreds of thousands of square kilometres.

Instead, out of the billions in the deal signed by Ottawa and the 10 provinces on Wednesday, the leaders say they would only get between \$1-million and \$3-million each. "That's about a week of health services in our territories," Mr. Kakfwi said.

The NWT Premier said there are 28 communities in his territory with only nurses and no doctor — meaning people sometimes have to travel hundreds of kilometres for treatment — and that it costs \$10-million just to ensure that each of NWT's 42,000 citizens gets an annual checkup.

Plus, many of these communities are aboriginal, where the population lives in "Third World health conditions" with much higher rates of disease and poverty, Mr. Kakfwi said.

He said the territories wanted a special base fund — of \$20-million to \$25-million — to be set up to help meet their special needs. This money would then be topped up by the money they would get under the per capita funding formula.

This proposal was in several previous draft accords, Mr. Kakfwi said, but each time it was taken out by the Prime Minister.

Nunavut Premier Paul Okalik said the deal agreed to by the other provinces "wouldn't make a difference" to his territory.

"Yesterday it became clear that perhaps the Prime Minister will leave a legacy of neglect for the North," Mr. Okalik said in remark likely to sting Mr. Chrétien, a former Indian and Northern Affairs minister whose most recent Throne Speech included many commitments to helping aboriginal people.

Federal Health Minister Anne McLellan said on Thursday that there would be no special deals for the three territorial leaders.

"We're not going to negotiate separate agreements. We have an accord, this accord speaks to the direction of health policy and our health care in this country," Ms. McLellan told the CBC. "But certainly they do have unique needs."

Yukon Premier Dennis Fentie said he and his colleagues would keep trying to work out a solution with Ottawa. "We're not asking for much," he said.

On Wednesday, the Prime Minister and the 10 provincial premiers signed a deal that will see \$27-billion injected into the country's health-care system.

The agreement, hammered out after a long day of often difficult negotiations, will pay for new programs such as home care, protection from onerous drug costs, high-tech diagnostic equipment, and altering the way doctors' offices operate. A smaller sum was made available for provinces to run the basic components of their systems, such as hospitals.

7. _____

Globe and Mail (February 6, 2003)

How the premiers decided to take three-quarters of a loaf

By SHAWN McCARTHY and CAMPBELL CLARK

Ottawa — This time, Canada's premiers were prepared to wait out Prime Minister Jean Chrétien, but the veteran Prime Minister called their bluff.

Throughout the day Wednesday, as first ministers haggled over health care, the signs grew that premiers were prepared to dig in their heels and even return to the table Thursday if necessary to wring more dollars out of a tightfisted Mr. Chrétien.

As it turned out, the two sides reached a deal Wednesday night after the premiers decided that three-quarters of a loaf is better than none at all and Mr. Chrétien persuaded them he had hit his limit.

But though the Prime Minister had confidently predicted a deal would emerge by noon, the two sides engaged in some hardball, labour-type negotiations well past the supper hour.

At about 5 p.m., Nova Scotia Health Minister Jane Purves emerged from the meeting and headed for the airport.

Ms. Purves, who was filling in for a convalescing Premier John Hamm, has long-scheduled surgery to remove a goitre from her neck this morning and was not about to go to the end of a waiting list.

Ms. Purves stopped long enough to tell reporters that she was confident the first ministers would reach an agreement, but she wouldn't predict whether they would need to come back for another day of negotiations.

Nova Scotia Finance Minister Neil LeBlanc joined the meeting in her stead. He was summoned to Ottawa early Wednesday morning, Nova Scotia officials said, after it became clear at Tuesday's dinner at 24 Sussex Dr. that the two sides were far apart on money.

After that dinner, the premiers had caucused in the Château Laurier, Ottawa's historic 19th-century railway hotel, and decided they were not going to be rushed by deadlines into accepting an unsatisfactory deal.

The premiers remembered the September, 2000, accord, when Mr. Chrétien won provincial agreement for a five-year, \$21-billion deal, an amount they felt was unsatisfactory.

They felt they — or in many cases, their predecessors — had been outmanoeuvred by the wily Prime Minister and had caved in too easily to his pressure tactics.

So as federal officials put out the word that they were prepared to be flexible and that a deal was imminent, the provinces dug in their heels.

The meeting at Ottawa's old City Hall, now largely vacant since municipal amalgamation, began right on schedule at 9 a.m.

Behind closed doors, Mr. Chrétien tabled the formal dollar offer to the provinces. He had spoken more generally about it at dinner on Tuesday night. With only \$10-billion in new money over the next three years, it confirmed the premiers' worst fears.

Prince Edward Island Premier Pat Binns, the provincial chairman, quickly told Mr. Chrétien that his proposal was unacceptable.

The money was simply insufficient, Mr. Binns said, and the premiers rejected Ottawa's decision to include in its calculations money that had been pledged in 2000 for this year and beyond.

Mr. Binns also said federal officials would have to rework the "indicators" against which Ottawa's new health council would measure their performance. Several premiers argued publicly that Ottawa was demanding far more coverage in areas such as home care, drug care and 24-hour family-medicine clinics but is not providing money adequate to fund those programs.

At about 11 a.m., Mr. Chrétien took a walk to allow the premiers to chew over his offer. It tasted no better when he was out of the room.

When he came back, he sweetened the offer by \$2-billion over three years, still \$3-billion short of the amount recommended by former Saskatchewan premier Roy Romanow in his study, a shortfall the premiers dubbed the Romanow Gap.

Meanwhile, the provinces stepped up their public pressure tactics. Quebec leaked the details of the federal offer, including a notation in Premier Bernard Landry's own hand that provinces could get a "cheque on 31/03/03 if they want."

Provincial officials began to make it known they were prepared for an overnight stay if necessary.

A story that PEI officials travelled to the nearby Rideau Centre shopping mall to buy underwear and socks turned out not to be true. But they did leave the City Hall building about midday to rebook their rooms at the Château Laurier for Wednesday night.

(The hotel was nearly full; Mr. Binns got a room, but his three staffers had to relocate to the Delta, several blocks away.)

At lunch, the two sides retired to separate rooms again. The premiers started lunch, while Mr. Chrétien was briefed about U.S. Secretary of State Colin Powell's presentation on Iraq to the United Nations Security Council and the latest assessment on the likelihood of war.

The Prime Minister largely left the premiers to themselves through the afternoon, rejoining them only about 5 p.m. for a final push to close the deal.

At midday, the premiers instructed their officials to prepare two documents: a reworked accord that would form the basis for an agreement and a two-page communiqué spelling out why the two sides could not reach a deal.

8. _____

Globe and Mail (February 6, 2003)

ANALYSIS: Can the deal meet expectations?

The lack of details leaves it unclear exactly how much health-care services would change

By ANDRÉ PICARD

If all goes according to plan, the \$35-billion health-care deal would have a visible and potentially profound effect on the delivery of health care in Canada.

While much of the political discussion has revolved around money, the proposed plan includes a number of fairly concrete targets along with important structural changes.

At the same time, the agreement the premiers were discussing appears to be short on precise details that would ultimately determine how the delivery of health-care services to consumers would or would not change.

The most notable change proposed has received little attention.

Medicare will come as close as it ever has been to expansion since its inception: Home care, palliative care and community mental-health services will be covered by the publicly funded health system in a similar manner to hospital care and physician services.

At this point, it is not known whether the federal government will reopen the Canada Health Act (which is unlikely) or introduce complementary legislation. More important, no one has defined what "universal home care" would mean in practice.

The provinces, eager to reduce spending, have invested heavily in home care as an alternative to short-term hospital stays, discharging patients shortly after surgery and providing them with a minimal level of support at home.

What the public is clamouring for is something else entirely: long-term home care for the frail elderly and people with chronic conditions as a means of delaying or preventing institutionalization.

There is every indication the provinces will resist that sort of expansion because much institutional care is now paid out of pocket and there is little appetite for shifting what could be billions of dollars in new spending to the public treasury.

The same sorts of questions arise with palliative care. Will it become the inalienable right of Canadians to die at home? Will that include around-the-clock nursing care? Again, the funding and the programs may not be able to keep pace with the expectations of Canadians.

Aside from the structural changes to medicare, the proposed deal contains a number of commitments such as the expansion of primary care, a catastrophic drug plan, the creation of a health council, and investments in diagnostic medical equipment and electronic health records.

The issue that has generated a lot of media interest is the primary-care proposal. Ottawa got the provinces to commit to delivering primary care through multidisciplinary health organizations to 50 per cent of the population. The care would have to be delivered on a 24-7 basis.

On the surface, this seems like a dramatic change, but again the devil is in the details. The goal could probably be met by adding nurse-practitioners to some medical clinics and ensuring there is a 24-hour clinic within a specific geographic area, even on a rotating basis.

What it does not mean is that all doctors' offices will be open around the clock.

The promise of a catastrophic drug plan is also good news for patients, at least in theory. But again, the proposed deal does not set a dollar figure at which the plan would kick in, and it does not resolve the thorny issue that exists now, that some prescription drugs are covered by some provinces but not others.

While there is money for diagnostic services and waiting lists, neither of those persistent problems will disappear overnight as a result of a deal. And despite equalization funds, provincial-territorial and interprovincial disparities won't disappear either.

If there is a certainty in the deal, it is that Canada will be moving one step closer to having electronic health records, an essential element for getting a handle on health spending.

The other sure thing is that no one — not the provinces, not the territories, not Ottawa, not health-care providers and not health-care consumers — will be entirely satisfied.

And that will ensure that, for many years to come, and during the raft of election campaigns on the horizon, debate about health-care funding and health-care delivery will continue to dominate political discussion.

9. _____

Canadian Press (February 6, 2003)

Northern premiers reject health accord

By CP Staff

OTTAWA – Northern premiers attacked Prime Minister Jean Chretien on Thursday, saying his new health-care funding offer is too stingy to cure dire problems north of 60.

Liberal vows to lift native living standards have been ignored, they charged.

"We need help," Northwest Territories Premier Stephen Kakfwi told a news conference on Parliament Hill. "We asked the prime minister directly. We came up with a zero."

Chretien, ticking down to retirement a year from now, missed a crucial opportunity, said Nunavut Premier Paul Okalik.

"He's leaving a legacy of neglect."

Kakfwi, Okalik and Yukon Premier Dennis Fentie all refused Wednesday to sign on to the new health-care deal reached Wednesday between Ottawa and other provincial leaders.

Chretien said new federal funds will total about \$17 billion over three years, while premiers say the amount of new money is actually \$12 billion.

The North's share of the \$12 billion would amount to about \$16 million for the Northwest Territories, \$12 million for Yukon and \$11 million for Nunavut.

"That's about a week's worth of funding for Nunavut," said Okalik. "That won't cut it."

Northern leaders had hoped for extra cash to cover a host of special health needs, including costly long-distance travel for treatment.

The premiers said they'll still receive the cash despite refusing to formally sign on.

The money will be allocated per resident, leaving small and remote northern communities in Third World conditions, Kakfwi said.

The needs of northern residents were put off again, as before, but this time their leaders are not going home quietly, Kakfwi said.

"Being passive, being Mr. Nice Guy, hasn't produced anything for me."

10. _____

National Post (February 6, 2003)

PM leaves Manley in the lurch

Finance Minister has a lot of explaining to do

By Paul Wells

OTTAWA – Everyone keeps saying Jean Chrétien's vindictive streak makes him obsessed with destroying Paul Martin's career. Me, I find myself wondering whether he's just destroyed John Manley.

It is Mr. Manley, after all, who has to stand up later this month in front of God and everyone and deliver his only budget he will ever get to deliver as Finance Minister. It is Mr. Manley who has to explain why this government is short-changing Canadians' highest priority for new spending -- not only federal, but provincial.

It is Mr. Manley who has to tell us what the federal government prefers to spend on.

It is Mr. Manley who will have to explain why the three premiers of the overwhelmingly aboriginal northern territories walked away from a deal brokered by a Prime Minister who claims to be particularly sensitive to aboriginal concerns.

It is Mr. Manley who gets to explain why he prefers to stick to the lunatic economic forecasting scheme that produced a \$9-billion surplus for the current fiscal year -- after his predecessor, Paul Martin, forecast barely one-tenth as much. And then explain why the "unexpected" windfall was not worth spending on health care this year.

Above all, it is Mr. Manley who gets to explain why the Romanow commission -- appointed by the Government of Canada, whose recommendations received the Government of Canada's repeated endorsement before anybody in the Government of Canada had even seen them -- must now be pitched overboard in favour of continued incrementalism.

Good luck, buddy.

The central tactical victory of the premiers was to hitch their wagon to Roy Romanow's recommended level of increased federal funding. Some among them, including Ontario's Ernie Eves, found Mr. Romanow's call for roughly \$16-billion in new federal cash over the next three years to be unconscionably light. But by refraining from any demands for cash on top of the Romanow recommendations, they cast themselves, for the first time in too long, as the moderates in the federal-provincial fiscal tug-of-war.

(Mr. Chrétien claims he is offering \$17.3-billion in new money over three years, rising to \$34.8-billion over five years. Reaching these figures requires the kind of arithmetic that makes it possible to claim gun control won't cost a dime.)

"It will come as no surprise that the amount of money resulting from these arrangements falls far short of what the provinces view as necessary," Pat Binns, the long-suffering Premier of Prince Edward Island, said last night, his expression as glum as I can remember it. Seven of the premiers face elections this year. They did not dare face their electorates as the premiers who walked away from billions in health care dollars.

Yet I wish a few of them, and not just the territorial premiers, had taken Mr. Chrétien's dare. Surely it would be a noble risk to face one's electorate and say:

"I am sorry to walk away from money that could shorten a few waiting lines this week or speed a few operations next month. But as tired as you are of seeing me begging around Ottawa with my cap in hand, I am far sicker still.

"I am sick to tears of going back to Ottawa every 18 months to beg to Jean Chrétien over surpluses whose existence he has the continuing gall to deny.

"I am sick to tears of watching him spend your tax dollars on his surpluses while your relatives have their operations postponed or while you pay to send them to decent hospitals in Chicago or New York.

"I cannot take a few dollars today when I know my successor will be back begging for a few dollars more tomorrow."

That's a bet I'd be interested in taking, if I were a premier. Maybe that's why nobody's elected me premier of anything yet.

We return to the question of Mr. Chrétien's succession. Paul Martin has had a spectacularly clumsy run as heir and opposition to the current boss. Mr. Chrétien may have decided to take pity on him. Perhaps yesterday's deal was a perverse sort of gift. In 10 months, barring surprises even greater than yesterday's slow-motion disaster, Mr. Martin will be the prime minister-designate of Canada. He will be able to cement his position as a more compassionate leader than the guy he replaced by admitting that the surplus-forecasting system he pioneered is an absurd fiction; that he will deliver the sums Mr. Chrétien forswore to deliver; and that he is sorry Canadians had to wait so long for a prime minister who would listen to Canadians.

In the meantime, I sure wouldn't want to be John Manley.