

# Six in Ten Say Canadian Healthcare System is Not Sustainable Because of Costs

*Majority (65%) Agrees Raising Taxes isn't the Answer*

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**Ipsos Reid**

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## **Six in Ten (59%) Say Canadian Healthcare System is Not Sustainable Because of Costs**

*Majority (65%) Agrees Raising Taxes isn't the Answer*

**Toronto, ON** - The majority of Canadians (59%) 'agree' (14% completely/45% somewhat) that 'as a result of the increasing cost of providing universal healthcare in Canada, governments will not be able to continue to afford the current health care system while continuing to provide other services like education, transportation and support for the unemployed and pension benefits for retirees to ensure that they can continue to deliver the current level of health care'. Just four in ten (42%) 'disagree' (15% completely/27% somewhat) with this assessment, according to a new Ipsos Reid poll conducted on behalf of the Canadian Medical Association.

Furthermore, tracking data from the year 2000 shows that while the proportion who agree that 'healthcare costs will rise sharply, thereby increasing demands for public funds for health care' (44% in 2010, compared to 45% in 2000 who strongly agree 8, 9 or 10 on a 10-point scale), significantly fewer Canadians are of the view that costs will either be manageable, contained through increased efficiency or that the demand for healthcare will decrease because of a healthier population. The proportions strongly agreeing that 'health costs will rise gradually, but the increase will be manageable due to growth in the economy,' 'the demand for health care will increase, but we will be able to contain costs by operating the health care system more efficiently' or that 'the demand for health care will increase, but we will be able to contain costs by operating the health care system more efficiently,' or that

‘the demand for health care will decrease because the population will enjoy better health status’ have all decrease by half or more.

	2000		2004		2008		2010	
	Strongly Agree (8,9,10)	Strongly Disagree (0,1,2)	Strongly Agree (8,9,10)	Strongly Disagree (0,1,2)	Strongly Agree (8,9,10)	Strongly Disagree (0,1,2)	Strongly Agree (8,9,10)	Strongly Disagree (0,1,2)
'Health care costs will rise sharply, thereby increasing demands for public funds for health care.'	45%	8%	48%	9%	46%	7%	44%	6%
'Health costs will rise gradually, but the increase will be manageable due to growth in the economy.'	19%	11%	18%	23%	10%	27%	7%	29%
'The demand for health care will increase, but we will be able to contain costs by operating the health care system more efficiently.'	29%	10%	21%	19%	17%	21%	14%	24%
'The demand for health care will decrease because the population will enjoy better health status.'	11%	34%	16%	35%	6%	54%	4%	54%

Despite the finding that, on average, Canadians think that their provincial governments are devoting slightly less than the appropriate percentage of their budgets to health care spending (an average perceived level of 38% compared to a reported appropriate level of 47%), most (91%) ‘agree’ (50% completely/40% somewhat) that ‘the best way to slow down the growing costs associated with health care is to make the system more efficient and effective, essentially findings ways to treat more people with fewer dollars’. Fewer (66%) think (22% strongly/44% somewhat) that ‘the best way to slow down the growing costs associated with health care is to introduce rewards and penalties for healthy living so that people look after their health better, essentially encouraging people to be healthier and stay



out of the health system'. But just 33% are confident (3% very/32% somewhat) in the ability of governments and administrators to find efficiencies in the system, and only 47% are confident (8% very/39% somewhat) that a system of rewards and penalties will in fact keep people healthier and out of the system.

Reflecting on some possible ways to address the affordability of the healthcare system, given the choice to choose among three options, nearly one half (46%) believe the best solution is that 'patients should be responsible for paying a portion of the cost of the healthcare they receive', while one in three (32%) believe the better solution would be for governments to 'raise taxes to cover the cost of health care'. Alternatively, nearly one quarter (22%) believe the best course of action would be for governments to 'cut spending on other programs like education, transportation, and support for the unemployed and pension benefits for retirees to ensure that they can continue to deliver the current level of healthcare.

Moreover, one half (49%) of Canadians 'agree' (12% completely/37% somewhat) that they would be willing to pay 10% more in taxes if they knew all of the money would go to healthcare. Furthermore, 44% 'agree' (8% completely/36% somewhat) that they would 'support limiting Medicare coverage to only some core services in order to control the costs of healthcare as long as individuals could pay for services that are not included in the core'. Only one in three (31%) 'agree' (6% completely/25% somewhat) that they would 'support reducing the amount of money spent on education and social services in order to have more money spent on health care'.

As Canada's population continues to age, over the next two decades there will be fewer working Canadians relative to the total population. The government will likely have to examine ways to ensure that there is enough tax revenue to pay for future healthcare

expenditures without compromising other government programs. Canadians were presented with some of these ideas, and gave their assessment on whether they believe these ideas were good:

- Seven in ten (69%) believe it's a 'good idea' (17% very/52% somewhat) to 'develop a contribution-based Canada Health Plan that would raise revenue and set aside financial resources for individuals who need health care the same way that the Canada Pension Plan works for people who want to retire'.
- Two in three (65%) believe it's a 'good idea' (21% very/44% somewhat) to 'develop a Registered Health Savings Plan, similar to the Registered Retirement Saving Plan that would allow individuals to save money on a tax free basis that would be available for them to pay for health services or prescription drugs that are not included in the public health plan coverage'.
- Just one in three (35%) think it's a 'good idea' (5% very/30% somewhat) to 'raise taxes over time to cover the increased demand for healthcare services'.
- Only one in three (35%) believe it's a 'good idea' (9% very/26% somewhat) to 'tax Canadians an additional amount on their annual income tax return that is linked to how much health care the person has required over the year up to a maximum amount (a percentage of their total income)'.

*These are some of the findings of an Ipsos Reid poll conducted between February 8-15, 2010, on behalf of the Canadian Medical Association. For this survey, a national sample of 2,017 adults from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to Census data*



*and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of +/-2.2 percentage points 19 times out of 20 of what the results would have been had the entire population of adults in Canada been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.*

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